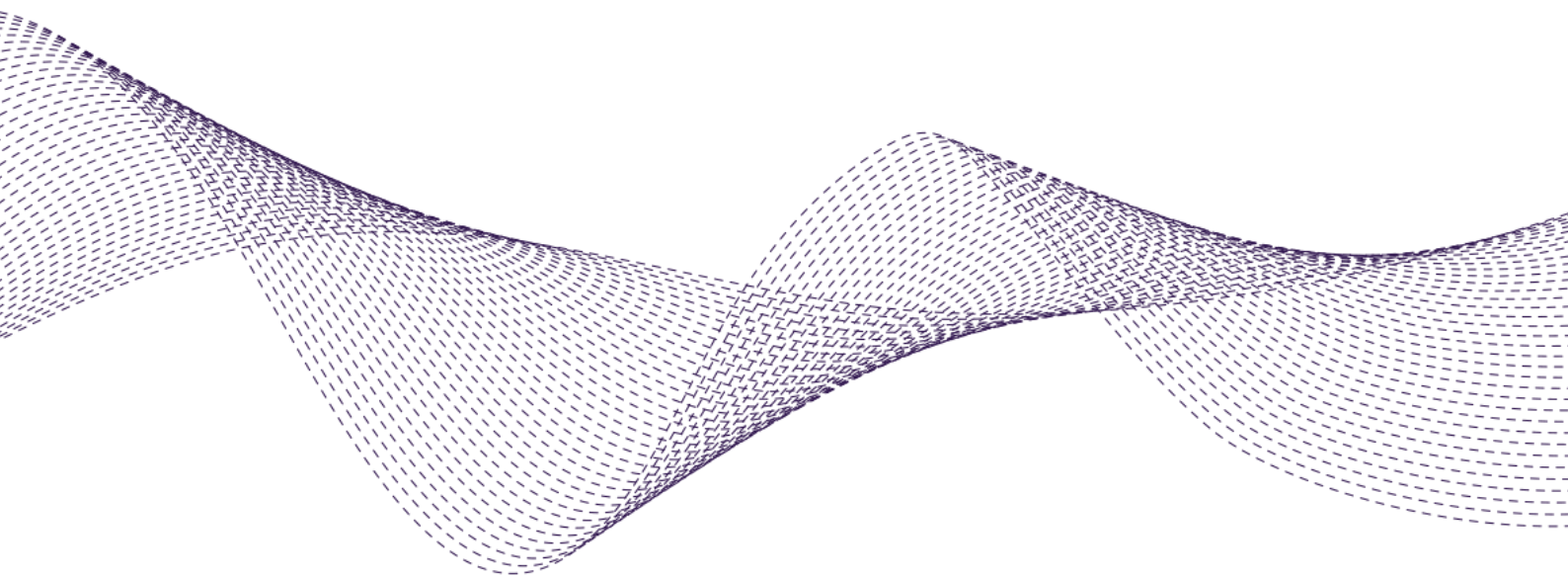


Consolidated Non-Financial Statement 2021



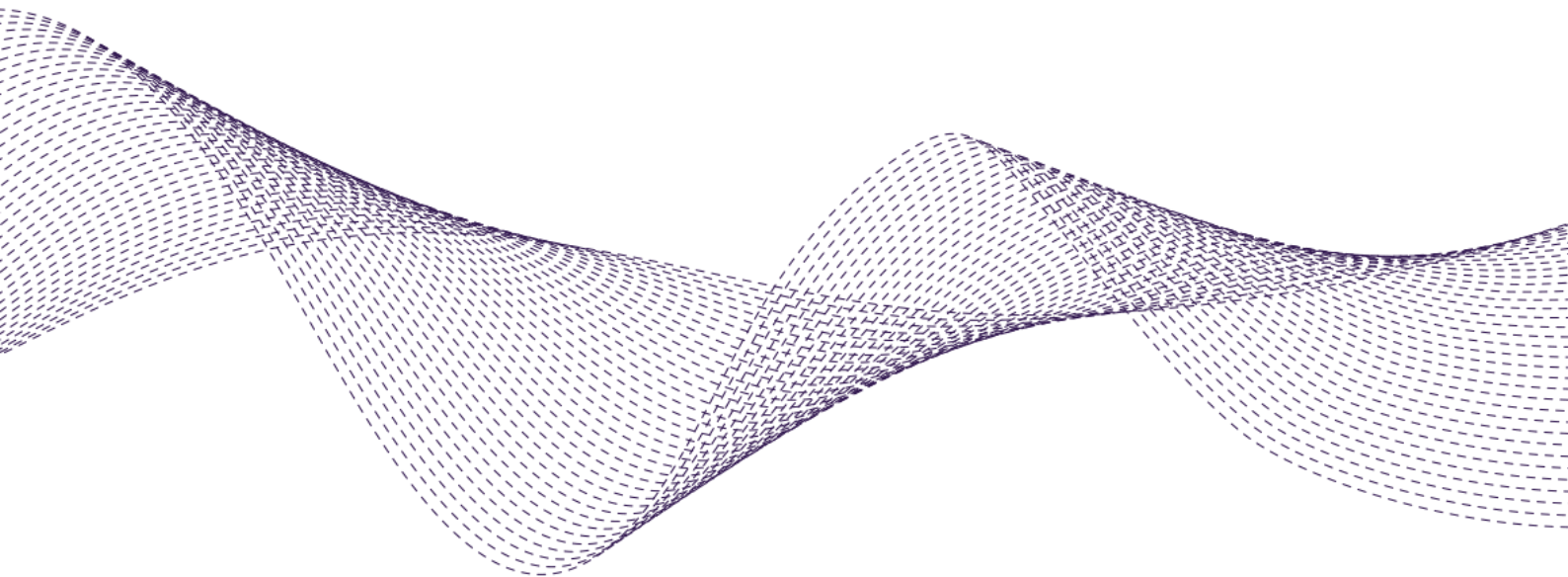
Key figures

	FY18	FY19	FY20	FY21	Var. 20/21
Revenues (€million)	9,122	10,227	9,483	10,198	8%
EBIT pre PPA and I&R costs (€million)	693	725	(233)	(96)	n.a.
Net profit (€million)	70	140	(918)	(627)	n.a.
Net financial debt (NFD) (€million)	615	863	(49)	(207)	n.a.
Equivalent MW sold	8,373	9,492	9,968	10,995	10%
MW installed (period)	6,234	9,895	8,767	10,164	16%
MW installed (cumulative)	88,840	98,735	107,502	117,666	9%
MW fleet under maintenance	56,725	60,028	74,240	79,199	7%
No. suppliers	17,051	17,890	18,932	19,363	2%
No. suppliers invoicing below 10k€/y	8,874	8,901	9,483	9,401	-1%
Procurement volume (€million) ⁹⁸	6,030	8,238	7,365	6,863	-7%
Headcount	23,034	24,453	26,114	26,182	0%
Lost time injury frequency rate - LTIFR	2.07	1.67	1.36	1.43	5%
Total recordable injury rate - TRIR	5.10	4.71	3.14	3.13	0%
% women in workforce	18.90	18.79	18.76	19.10	2%
% women in management positions	10.79	10.24	11.69	12.92	11%
Employee hiring	2,466	4,498	4,932	3,750	-24%
Employee exits	4,853	3,145	3,275	3,794	16%
Training hours (thousands)	619	905	840	555	-34%
Charitable contributions (€ million)	2.12	0.43	2.90	0.79	-73%
Energy consumption (TJ)	1,050	1,256	1,202	1,153	-4%
Energy consumption rate (GJ/MW)	168	127	137	114	-18%
Renewable electricity use (share in %)	71.7	61.5	99.9	100.0	0%
Water consumption (x1,000 m3)	446	667	522	553	6%
Waste generated (kt)	47.8	58.5	68.3	63.1	-8%
Waste intensity (t/MW installed)	7.7	5.9	7.8	6.2	-21%
CO ₂ emissions (kt CO ₂)	61.4	70.7	27.9	28.8	3%
CO ₂ emissions intensity (t/MW installed)	9.8	7.1	3.2	2.8	-13%
CO ₂ displaced (million t CO ₂)	233	259	281	329	17%
Effluent generation (x1,000 m3)	451	329	342	492	44%
United Nations Global Compact	✓	✓	✓	✓	-
Dow Jones Global Sustainability Index	✓	✓	✓	✓	-
FTSE4Good Index	✓	✓	✓	✓	-
Ethibel Excellence Europe Index	✓	✓	✓	✓	-
Euronext Vigeo Index	-	✓	✓	✓	-
Bloomberg Gender Equality Index	-	-	✓	✓	-
MSCI ESG rating	BB	BB	A	A	-

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A. Our Company



A.1 Siemens Gamesa at a Glance

A1.1 About us

[L11-G01] Siemens Gamesa is a leading supplier of wind power solutions to customers all over the globe. Siemens Gamesa works at the heart of the global energy revolution.

With a leading position in onshore, offshore, and service, our team works in partnerships across 90 countries to engineer, build and deliver powerful, reliable wind energy solutions and services.

A global business with a strong local footprint, we have installed more than 107 GW and keep the lights on across the world, producing clean sustainable energy to power homes, schools, hospitals and keep us moving wherever we go.

Siemens Gamesa operates with a flexible business model and organizes its business in two segments: i) Wind Turbines (comprising Onshore and Offshore), which covers the design, development, manufacturing and installation of wind turbines, and ii) Service.

[L11-G02] [102-4] Siemens Gamesa is present in more than 90 countries around the world, and its turbines are installed in 79 countries. It operates more than 15 manufacturing plants in over 10 countries and has approximately 40 sales offices.

[102-8] At the end of the reporting period (September 30, 2021), the Company had 26,182 employees (26,114 employees in fiscal year 2020).

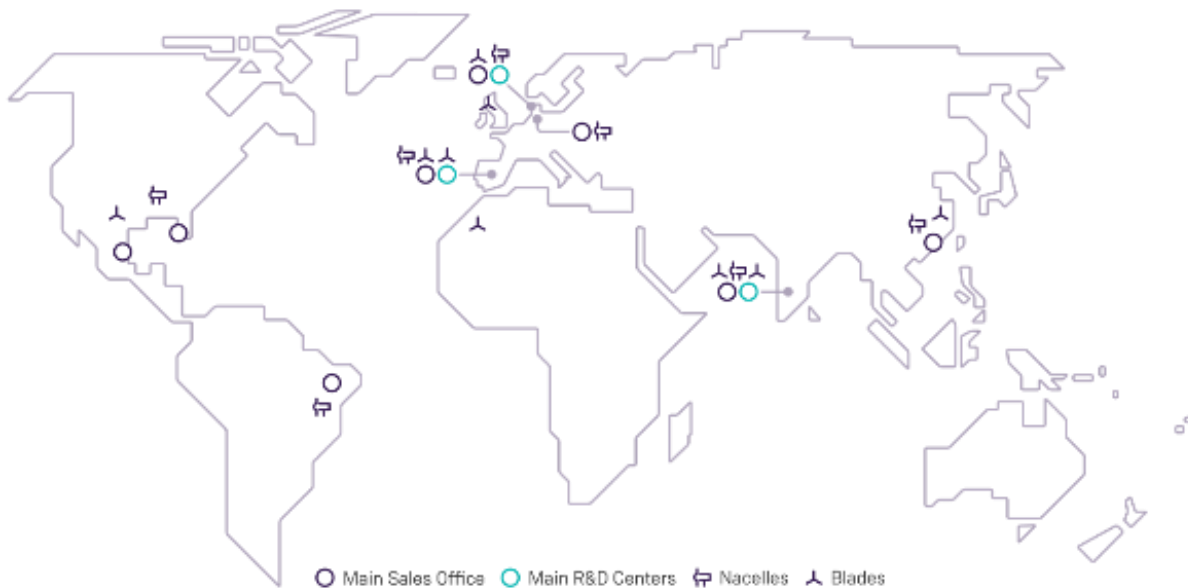
A1.2 Mission, Vision and Values

[102-16] Our Company mission "We make real what matters - Clean energy for generations to come" and our vision to "Be the global leader in the renewable energy industry driving the transition towards a sustainable world" define the foundation on which our shared corporate culture will grow as we become more and more integrated.

This is underpinned by six values:

- Results orientation: Results are relevant, delivered in a timely manner and at an appropriate cost.
- Customer focus: Think from a customer's perspective about how we can excel in delivery.
- Innovativeness: New solutions for customers and ourselves.
- Impactful leadership: Inspiring our people and exemplifying the culture and common values.
- Ownership attitude: People are motivated and engaged and see themselves as drivers of business success.
- Valuing people: Valuing the importance of the individual.

Figure 1 - Siemens Gamesa global footprint



A1.3 Legal Name and Ownership

[102-1] The corporate legal name Siemens Gamesa Renewable Energy, S.A. has been in effect since June 20, 2017 and was duly registered on July 18, 2017. The name was published in the Stock Exchange Bulletin on July 21, 2017. The shares have been listed as Siemens Gamesa Renewable Energy, S.A. since July 24, 2017.

[102-5] Siemens Gamesa is listed on the Madrid, Barcelona, Valencia, and Bilbao Stock Exchanges and is part of the Ibex 35 index. The significant shareholders are currently Siemens Energy AG, indirectly holding 67% and Blackrock Inc., with 3% of the share capital¹. The free float is 30%.

The capital stock of Siemens Gamesa Renewable Energy, S.A. amounts to €115,794,374.94, consisting of 681,143,382 fully subscribed and paid uncertificated shares of common stock with a value per share of €0.17, all with identical rights and comprising a single class and series.

[102-7] The consolidated revenue in FY21 was €10,198 million (€9,483 million in FY20). All the economic and financial information of Siemens Gamesa Renewable Energy S. A. and its subsidiaries is available in the Consolidated Financial Statements and Management Report for the period ended September 30, 2021, its fiscal year-end. [201-1]

[102-3] For legal purposes, Siemens Gamesa Renewable Energy, S.A.'s corporate details are as follows: "SIEMENS GAMESA RENEWABLE ENERGY, S.A., a company duly incorporated under the laws of Spain, with registered office at Parque Tecnológico de Bizkaia, Building 222, Zamudio, Biscay, Spain and registered with the Mercantile Register of Biscay in Volume 5139, Folio 60, Page BI-56858, and with VAT registration number A-01011253".

A.1.4 Products and Services

[102-2] [102-6] The core business portfolio of Siemens Gamesa comprises wind turbines for onshore and offshore wind power plants as well as a wide range of services. These business lines allow SGRE to be present across the wind value chain, offering a wide range of products and services for different project types and site conditions.

Siemens Gamesa develops and manufactures wind turbines which are suitable for a broad range of wind speeds (low, medium and high wind) and a full spectrum of weather conditions, and which

can fulfill specific local requirements. Every wind generation location presents specific challenges which require the choice of the most appropriate product. To meet the specific needs of its customers, it offers versatile solutions for onshore and offshore power plants. According to its "one segment, one technology" strategy, it uses mainly geared technology for onshore and direct drive technology for offshore wind turbines. In direct drive technology, a low-speed permanent magnet replaces the gearbox, coupling and high-speed generator, combining simplicity with a high level of efficiency.

With wind turbines installed in 79 countries worldwide, totalling more than 117 GW, and a full range of product platforms, the Company sees itself as one of the main global technology leaders in the multi-megawatt wind turbine segment. Siemens Gamesa has installed more than 1 GW of wind turbines in each of the following countries as of September 30, 2021 (based on cumulative installed capacity figures, including all its onshore and offshore wind turbines for each country): Brazil, Canada, Chile, China, Denmark, Egypt, France, Germany, India, Ireland, Italy, Mexico, Morocco, Netherlands, Norway, Poland, Spain, Sweden, Turkey, United Kingdom and United States.

Innovation is a key driver in the wind energy sector. Siemens Gamesa believes it is at the forefront of technological development and innovation, and that it has one of the most comprehensive wind turbine and service portfolios in the sector, enabling it to minimize the LCoE (Levelized cost of energy) and provide optimal returns for its customers.

The Wind Turbines business generated total revenue in FY21 in the amount of €8.3 billion (€7.7 billion in FY20), that is 81% of its total revenue, of which €5.0 billion is attributable to Onshore and €3.3 billion to Offshore. The Service business generated total revenue in the amount of €1.9 billion (€1.7 billion in FY20) or 19% of Siemens Gamesa's total revenue), in fiscal year 2021. [See Table 2 - Revenues by segment]

Onshore Wind Turbines: Siemens Gamesa's onshore approach focuses on geared technology, in which it has extensive knowledge and expertise. Its onshore portfolio relies on proven concepts with an extensive track record in the market and which offer high levels of reliability, such as the combination of a three-stage gearbox and a doubly-fed induction generator. Other advantages of its turbines are robustness, a modular, flexible design, and flexible power ratings for optimum adaptation and maximization of production at different kinds of sites and in all wind conditions.

Figure 2 - Siemens Gamesa activities



Offshore Wind Turbines: Siemens Gamesa's offshore approach is focused on direct drive technology, which is particularly suitable for offshore conditions. Replacing the gearbox, main shaft and a conventional high-speed generator with a low-speed generator eliminates two-thirds of the conventional drive train arrangement. As a result, the number of rotating and wear-prone parts is greatly reduced, so that a direct drive wind turbine has 50% fewer moving parts than a comparable geared machine. The simple design reduces the likelihood of failures. The use of fewer moving parts in the direct drive technology (compared to geared machines) also means fewer spare parts are needed over the course of a wind power plant's lifetime. [See

[Table 8 - Wind turbine installation track record by country / market \(cumulative MW\)\]](#)

Service: The Service business is responsible for the management, monitoring and maintenance of wind power plants. Siemens Gamesa has roughly 35,000 serviced turbines worldwide, with more than 79 GW under maintenance (including approximately 12 GW offshore and more than 67 GW onshore). It covers the full lifetime of a turbine, from when a wind park is commissioned to assuring its successful performance over its life. Not only does Service ensure that turbines are operating at their maximum capacity and generating their maximum potential energy to deliver clean energy globally, but it also develops innovative technology using big data to provide enhanced performance for our customers. Siemens Gamesa currently delivers high-quality O&M services with a global reach and has service operations in more than 60 countries around the world through its five regional and two global competence centers. [See [Table 9 - Service track record \(MW\)](#)]



Figure 3 - Hull blade plant



Figure 4 - Brande nacelle plant

A.1.5 Manufacturing Base

Siemens Gamesa manufactures wind turbines at its facilities in Brazil, China, Denmark, Germany, India, Morocco, Portugal, Spain, UK, and the United States. The Company has established a technical presence close to its customers across the world. Its manufacturing base is designed to ensure an efficient production process from the design of the wind turbines to the manufacturing of all critical components². The decision as to whether a specific component of a wind turbine should be produced in-house or outsourced to third-party suppliers is determined by looking at three different dimensions: capacity, cost and local content or industrialization requirements. The Company operates blade factories, nacelle assembly factories and other kind of factories (such as gearbox, converter and cabinet factories).

A.1.6 Innovation, Research & Development

Wind turbines developed and manufactured by Siemens Gamesa are in permanent evolution, incorporating the latest technological advances with the aim of increasing both power and performance. Overall, Siemens Gamesa employs approximately 3,500 dedicated technology staff (13% of the total headcount). In fiscal year 2021, it spent €292 million on research and development (€231 million in 2020).

Its R&D activities are carried out mainly through seven technology centers located in Bangalore (India), Boulder (United States), Brande (Denmark), Hamburg (Germany), and Zamudio-Bilbao,

Madrid and Pamplona (all three in Spain). The R&D activities in Zamudio-Bilbao and Pamplona are focused on the nacelle and its components, while Brande and Hamburg focus also on blades. The facilities in Madrid and Brande are equipped with test benches for testing and validating software systems for wind power, Photovoltaic (IPV), energy storage and hybrid power systems. The Bangalore center serves global engineering and technology demands pertaining to software and design engineering for onshore and offshore wind turbines, with a focus on new technologies such as machine learning and artificial intelligence, required to build the “smart” wind turbines of the next generation.

Siemens Gamesa also works with renowned specialized institutions in the field of wind energy and fosters research partnerships across countries, organizations and disciplines. In addition, its partnership with Ørsted and the UK universities of Hull, Sheffield and Durham examines how renewable energy research can lower the costs of offshore wind power. This five-year partnership funded by the U.K. government under its Engineering & Physical Science Research Council enables Siemens Gamesa and its partner to develop new solutions relating to structural health monitoring and generator topologies.

A.1.7 Significant Changes in Fiscal Year

[102-10] There were no significant changes within the scope of Siemens Gamesa in fiscal year 2021.

A.1.8 Our Customers

Siemens Gamesa customers are mainly companies that are active within the energy sector. The main customer categories are as follows:

- **Utilities** – Companies that own wind farms and photovoltaic powerplants to sell power to the distribution network to reach final energy demand.
- **Independent Power Producers** – Companies that own wind farms and photovoltaic powerplants in order to sell power to an off-taker (via a power purchasing agreement) with the aim of obtaining a financial return in excess of their cost of capital.
- **Project Developers** – Companies that develop a project to sell it to a future owner with the interest and financial capability to build and operate it.
- **Others** – Financial investors, oil & gas players, companies that need to consume green energy in order to meet their corporate environmental targets, self-consumers, etc.

With the energy transition, customer profiles have expanded, with other participants other than the traditional players (such as utilities and independent power producers) gaining in importance.

A.1.9 Competition

The competitive situation for Siemens Gamesa differs in the three markets: onshore, offshore and service. It competes with international OEMs (Original Equipment Manufacturers, companies that produce parts and equipment that may be marketed by other manufacturers), Chinese OEMs and other regional OEMs, primarily focused on their local markets.

The market for onshore wind turbines is more fragmented, although consolidation has increased concentration of market shares outside China.

In the offshore market, there is a lower number of competitors due to the relatively high entry barriers. However, price competition in wind turbines is also strong and influenced by the introduction of auction mechanisms. Consolidation is moving forward in both onshore and offshore markets. It is driven by market players striving for scale to address technology challenges (which increase development costs) and market accessibility challenges.

There are about 30 wind turbine OEMs in the world. In general terms, wind turbine OEMs can be categorized into three groups i) International players with global reach, e.g. Siemens Gamesa, Vestas (Denmark), GE Renewable Energy (France/United States) and Enercon and Nordex (Germany); ii) Chinese OEMs, e.g. Xinjiang Goldwind Science & Technology Co., Ltd. and Envision; iii) Other regional OEMs (mostly located in India), e.g. Suzlon Energy Ltd. and Inox Wind Ltd. (both in India).

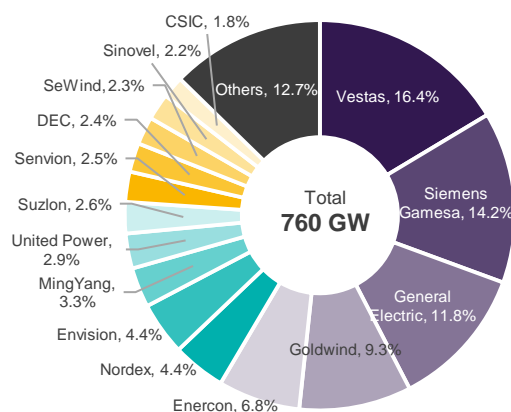


Figure 5 - Top 15 OEMs: Global cumulative share, 2020 (Source: Wood Mackenzie)

A.2 Business Environment

A.2.1 Megatrends Accelerating the Energy Transition

[L11-G04] The energy sector is undergoing a transition from conventional generation to a larger share of renewable generation. Global megatrends are accelerating this transition:

Globalization and Global Economic Growth. Globalization is a key driver for the growth of international trade. The global trade volume for goods roughly tripled between 2000 and 2019. In addition to globalization, a trend towards localization can also be observed in certain countries, which may translate into local production and local content requirements.

Rapid Urbanization. Globally, more people live in urban areas than in rural areas. The share of urban population is expected to increase to more than two-thirds by 2050. Urbanization is driving demand for food, water and energy in many places across the globe. Sustainable urbanization requires that cities provide the necessary infrastructure for energy, transportation and communication.

Demographics and Social Change. The main trends here include labor shortages, demand for healthcare, and changing consumer demands. The global population could increase by over 1 billion by 2030; by 2050, one-third of the population of 55 countries will be aged over 60. A growing population is one of the main factors behind the increase in energy demand. Continued rapid population growth also presents challenges for sustainable development.

Climate Change and Resource Scarcity. Climate change and decarbonization discussions — in which the energy transition plays a key role — and the commitment to low or zero emission standards by countries and companies are gaining traction. The IPCC (Intergovernmental Panel on Climate Change) has stated that emissions must be cut to net zero by around 2050 in order to cap global warming at 1.5°C.

Digitalization and Technological Breakthrough. Digitalization opens new perspectives. The use of data is important for reducing costs, increasing revenue, improving service quality, and integrating customers and business partners. With growing digitalization, the focus on cybersecurity is also increasing. The energy sector's increasingly complex grids are more prone to cyberattacks, making cybersecurity a key issue to ensure a secure energy supply. Cybersecurity also plays an important role in the area of remote services for power plants.

A.2.2 Impact of Megatrends

The energy industry is experiencing significant transformation. The traditional power (i.e. electricity) supply model was based on a centralized, conventional electricity generation structure (with dispatchable conventional power plants meeting power demand) and unidirectional grids (with electricity usually being transmitted from large-scale generators to consumers). The economics of generation technology ensured a stable business for conventional energy generation companies; in turn, the system ensured constant availability of electricity. This traditional model is now being challenged at many levels.

With the rapid deployment of electricity generation from renewables, the world energy supply continues to transition towards an affordable, reliable and sustainable model. Because of the very low cost of most renewable power generation technologies (e.g. wind) in many jurisdictions compared to conventional power generation technologies and also of support schemes (e.g. preferential feed-in), conventional power plants increasingly provide only the balance between power demand and renewable power generation and, consequently, have experienced a reduction in operating hours.

This transformation is driven by **changes in market economics and regulatory frameworks as well as more engaged customers and competitors**, and many new trends in the energy sector are also derived from or closely correlated with the megatrends described above. For example i) Investors are increasingly shifting capital to sustainable funds, ii) Governments are setting new frameworks, driven by commitments such as those in the Paris Agreement, iii) Companies and industries are making ambitious pledges, for example with respect to sustainability targets, iv) Public opinion is also increasingly pushing for the adoption of more ambitious environmentally-friendly measures, and v) Customers are increasingly factoring companies' environmental practices into their purchasing decisions.

We see a transition of the energy system towards decarbonization in which renewables will become the main source of cheap electricity and conventional technologies will be important to ensure security of supply. We also see integrated intelligent networks that can continuously manage load shifts. Zero-emission energy technologies such as hydrogen will become important to decarbonize other sectors, such as mobility, industry and residential and, therefore, to achieve climate protection goals. We view increasing demand for energy and electricity, decarbonization, decentralization and digitalization as the trends that have the largest impact on our business.

A.2.3 Business Risks

Global or local outbreaks of infectious diseases and other public health crises. We have been affected by the fallout of the outbreak of the recent Coronavirus pandemic. Risks stem not only from the immediate effect of such crises but also from any measures aimed at limiting their impact, including, but not limited to, restrictions on travel, imposition of quarantines, prolonged closures of workplaces, curfews and other social distancing measures, including the social impact of such measures.

Competition and lower market prices. Markets face structural changes, moving away from fixed support regimes for renewable energy generation towards market-based auction models where competing developers bid for projects, with awards based on the lowest entry price and the lowest level of incentives required for the project.

Supply chain constraints. Supply chain risks, due to the existence of critical components and services that could cause delays or cost increases in the production of Siemens Gamesa wind turbines or the execution of its construction projects.

Raw materials price increase: Exposure to risks relating to fluctuations in the prices of raw materials that could affect supply chain costs and project execution.

Risks of project execution. Cost overruns, missed deadlines, failure to meet business requirements, raw material price increases or increase of logistic and transport costs.

Risk of insufficient funding or difficulties in obtaining other financing instruments and services, such as financing, securities, hedging instruments and insurance, from financial institutions for specific projects or our whole business operations. This may be

due to financial institutions' internal, industry-wide or policy-driven prerequisites for all dimensions of ESG. Examples are the new 'lending criteria' of the European Investment Bank ("EIB") or the future alignment with the European Union's (the "EU") taxonomy.

Political instability, international conflicts and new trade barriers. Several components are manufactured in China and the U.S.- China trade conflict may have a negative impact on our business, including: interruptions of product manufacturing processes, delays in delivering products, claims for damages and difficulties in replacing Chinese suppliers in time or at economically reasonable costs. Other scenarios include post Brexit relationship between UK and the EU, and potential risks from doing business in countries under embargoes or sanctions by strategic countries.

Extreme weather conditions due to climate change. For example, Siemens Gamesa had to adjust its profitability target in January 2020 following unforeseen costs in a low triple-digit million euro amount relating to five onshore projects (1.1 GW) in northern Europe, mainly Norway, caused by adverse road conditions and the unusually early onset of winter weather, which delayed project execution.

Environmental, social and governance (ESG) standards. Compliance with certain ESG standards may pose additional challenges to our business. Our business and investment decisions increasingly consider environmental, social and governance ("ESG") standards and expectations regarding environment (e.g. climate change and sustainability), social concerns (e.g. diversity and human rights), and corporate governance issues (e.g. employee relations).

A.3 Corporate Strategy

Unleashing the full potential of Siemens Gamesa³. With a leading position in all three areas of the wind business – onshore, offshore, and service – we are driving the global green energy revolution and accelerating the efforts of our partners around the world. We are a global market leader in offshore wind and lead several onshore markets across the Americas, Europe, Africa and Asia. Our service business leads the industry in operating, maintaining and optimizing turbines throughout their lifespan. To unleash our full potential, we refreshed our corporate strategy, which aims to continue securing growth opportunities in our profitable Offshore and Service businesses, while driving a turnaround in Onshore. The strategy prioritizes profitability (over volume), cash generation, efficiency and productivity in all operations.

While wind turbine manufacturers' margins have been eroded by external factors — such as the introduction of auctions, global trade tensions, and the disruption caused by COVID-19 — the long-term outlook for wind power is very favorable. According to the International Energy Agency (IEA), renewable energies will account for more than 50% of the global capacity mix in 2040 and wind is expected to attract the highest investments in that period, according to BNEF. Strong growth is expected in the Offshore and Service markets over the next decade, while demand in Onshore will remain solid. Siemens Gamesa also expects prospects to be bolstered by the emergence of green hydrogen technologies, in which wind energy will play a leading role.

According to the World Energy Outlook 2019 (International Energy Agency-WEO 2019), cumulative wind capacity at the end of the period (2040) will amount to 1,850 GW, i.e. 150 GW above the previous report's estimates (with more than 300 GW Offshore). It is estimated that, over the next 20 years, average installations will be 57 GW per year, almost 15% more than previously projected.



[L11-G03] [G102-14] Siemens Gamesa has developed action plans to take advantage of long-term opportunities and protect against long-term risks.

Launched in 2020, the LEAP program set clear priorities:

- **Innovation** – Strive for technology leadership and business model innovation.
- **Productivity & Asset Management** – Continued focus on cost-out and stringent cash management to optimize profitability and cash generation.
- **Operational Excellence** – Strengthen process and project execution discipline and achieve industry benchmark safety and quality levels.
- **Sustainability and People** – Become the 'go-to' company in renewable energy by setting the industry benchmark in sustainability and in appeal as a place to work.
- **Digitalization** - Siemens Gamesa is investing in digitalization which it believes is a key enabler for accelerating the achievement of its objectives.

In this context, its key objectives for the period until 2023 focus on:

- **Returning Onshore to sustainable profitability** with a turnaround plan focused on the following priorities: (i) Focus on profitable volume and de-risking the business; (ii) Introduction of new leading technology; (iii) Reduction of supply chain complexity; (iv) Reinforcement of project execution capabilities; and (v) Reorganization to improve performance.
- **Capturing offshore market growth** through a profitable leadership position with the following priorities: (i) technological differentiation; (ii) globalization with market expansion and early customer engagement; and (iii) focus on execution excellence.
- **Sustainably growing faster than the market in service**, with the following priorities: (i) continuously develop new business models in partnership with customers; (ii) focus on innovation, productivity and operational excellence; and (iii) capture the potential of the profitable multi-brand business.

Accordingly, Siemens Gamesa's revenue mix is expected to shift towards a higher share of Offshore and Service and, consequently, a smaller share for Onshore. In addition, in line with the energy transition trends, it is also actively exploring adjacent business areas to tap the full potential of its core wind business, such as hybrid solutions, storage, floating and hydrogen.

A.4 Risk Management

A.4.1 Management Approach

[L11-G08] Siemens Gamesa has a Risk Control and Management System that is covered by the rules of Corporate Governance within an internal framework that we call ERM (Enterprise Risk Management). ERM is considered at the highest level, based on the guidelines established in the Regulations of the Board of Directors and in the Regulations of the Audit, Compliance and Related Party Transactions Committee (ACRPTC), using internationally recognized methods (COSO 2017 and ISO 31000:2018).

The Risk Control and Management System within ERM is promoted by the Board of Directors and top management and implemented throughout the organization. Siemens Gamesa has a Risk and Internal Control (RIC) department that reports to the Chief Financial Officer (CFO) and regularly reports to the Audit, Compliance and Related Party Transactions Committee.

The General Risk Control and Management Policy⁴, establishes the foundations and general context for the key elements of ERM and classifies risks in four categories: **i) Strategic; ii) Operational; iii) Financial** and **iv) Compliance**. The ERM process is a continuous cycle intended to proactively manage business risks. It is divided into six phases: i) Identify; ii) Evaluate; iii) Respond; iv) Monitor; v) Report and scale; and vi) Continuous improvement.

Note: More detailed information on the Risk management and control systems is available for consultation in Section E (*"Risk management and control systems"*) and Section F (*"Internal risk management and control systems related to the process of publishing financial information"*) of Siemens Gamesa's Annual Corporate Governance Report 2021⁵.

A.4.2 ERM System

The Company's Risk Control and Management System is structured into **four levels of defense**:

1. Ownership of risk control

- **Executive Committee:** As owner of the top risks, it is responsible for ensuring and promoting compliance with relevant legal requirements and internal policies, applying the General Risk Control and Management Policy and the Risk & Opportunity (R/O) management strategy. It also ensures that risk management and control is integrated into business and decision-making processes. Other responsibilities include

defining and proposing the approval of risk limits and reporting to the ACRPTC on all Company-related issues connected to strategy, planning, business development, risk management and compliance.

- **Business unit directorates:** Each unit is the owner of the Risks and Opportunities (R/O's) at business unit level.
- **Regional Executive Committees:** As owners of the regional Risks and Opportunities (R/O's).
- **Financial Directorate:** As established in the Investment and Finance Policy, it centralizes the management of finance-related risks for the entire Siemens Gamesa Group.
- **Tax Department:** Ensures compliance with the tax strategy and policy.

2. Monitoring and Compliance

- **Risk and Internal Control (RIC) Department:** As part of the Financial Directorate, it ensures that the executive team evaluates all matters relating to the Company's risks and that the risk owners develop mitigation plans for all high and major risks. It is also responsible for the process to test the effectiveness of the internal control system.
- **Ethics and Compliance Directorate:** Applies the Business Conduct Guidelines and the Internal Regulations for Conduct in the Securities Markets and supervises the implementation of and compliance with the Crime Prevention and Anti-Fraud Policy and Export control and Customs.

3. Independent assurance

The Internal Audit department reports to the Audit, Compliance and Related Party Transactions Committee (ACRPTC) and the Chief Executive Officer (CEO). Further information can be found at section E2 of the Annual Corporate Governance Report.

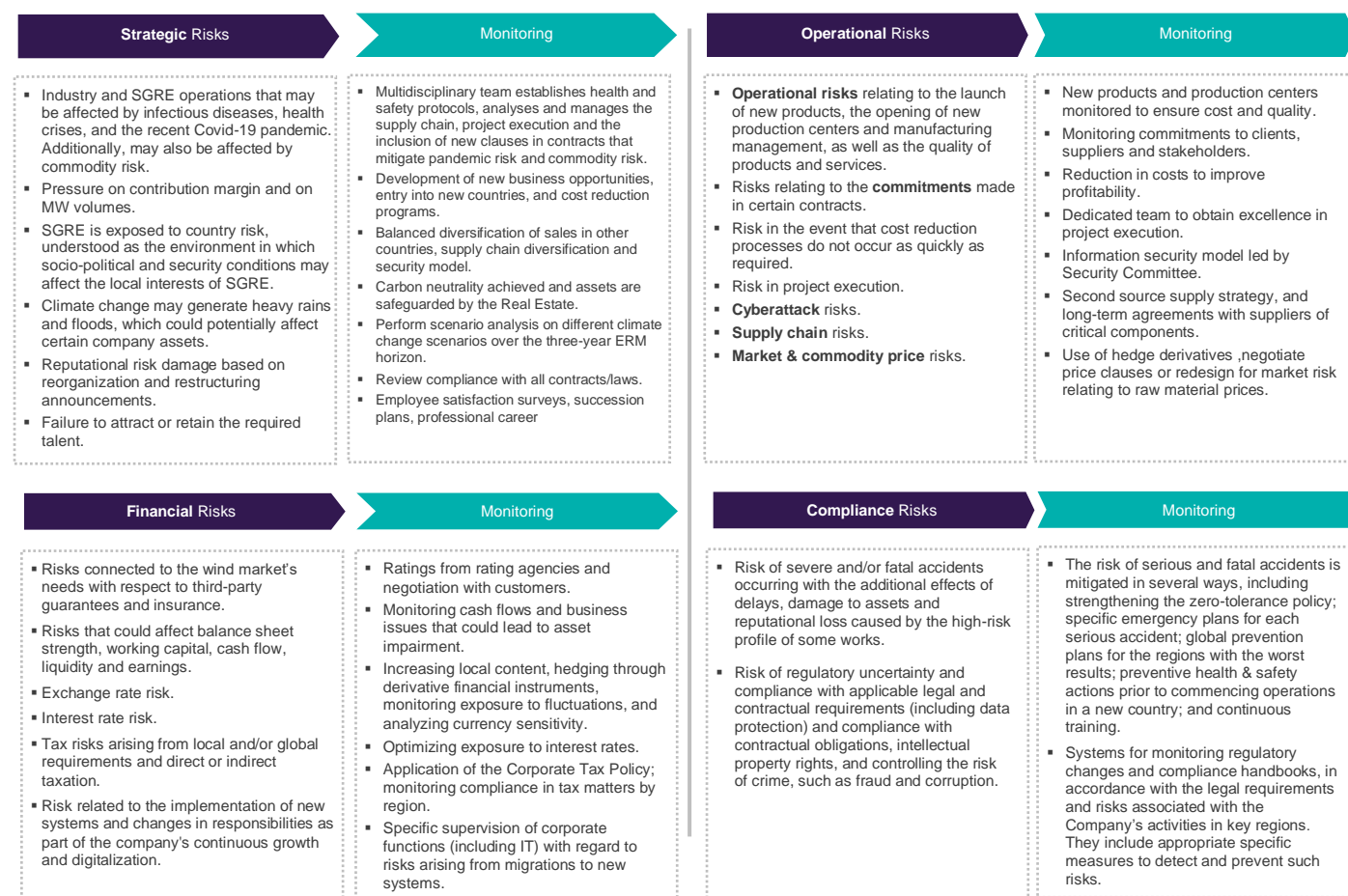
4. Oversight

The Audit, Compliance and Related Party Transactions Committee (ACRPTC) supports the Board of Directors in the oversight of risk management and reports about the effectiveness of such system that is under the control of Executive Management. The Board of Directors approves the risk levels that the Siemens Gamesa Group considers acceptable and the policies from which the risk levels derive, all with the aim of managing these risks properly.

A.4.3 Overview of Risks & Monitoring

Siemens Gamesa faces various risks inherent to the industry and the countries in which it operates when it deploys its strategic and operational planning. These risks can prevent business objectives from being achieved.

Figure 6 – Overview of risks and monitoring



Some risk factors that materialized during 2021 in the countries and markets in which Siemens Gamesa did business had an adverse impact on the Group's financial results, the most significant being: commodity risk, project execution, and Covid-19.

A.4.4 Risk Tolerance

Subject to Board approval, top management establishes the risk strategy and tolerance, setting the amount of risk that it is prepared to assume in order to achieve its objectives. Siemens Gamesa uses three levels of risk tolerance: "risk acceptance", "risk monitoring" and "risk escalation".

A.4.5 Additional Controls

Continuous supervision and monitoring processes are complemented with additional controls that include structured oversight and reporting processes regarding the evolution of risks and opportunities (R/O) maps and mitigation plans. External management system certification pursuant to ISO 45001, ISO 14001 and ISO9001 and the AENOR UNE 19602 standard related to the tax compliance management system are also included. Internal certifications signed by management to ensure that the RIC process is effective are an additional practice. Additionally, there are regular training sessions for managers and senior managers regarding ERM Policy and Methodology.

A.5 Corporate Governance

[102-18] The Group's governance structure is based on two main bodies, namely the General Meeting of Shareholders and the Board of Directors. Detailed information on the Group's corporate governance model is available in the Corporate Governance section of the Siemens Gamesa website⁶.

A.5.1 General Meeting of Shareholders

The General Meeting of Shareholders is the meeting of the Company's shareholders that, once duly convened, decides by majority voting on the issues within its powers in accordance with the Law, the By-Laws and the Regulations for the General Meeting of Shareholders⁷. All shareholders, including those that do not take part in the General Meeting or who have expressed their disagreement, are bound by the resolutions adopted at the General Meeting, without prejudice to their legal right to challenge such resolutions.

A.5.2 Board of Directors

[102-22] The Board of Directors' mission is to promote the Company's interests, represent the Company and its shareholders in the management of its assets, manage the business and the business's administration. Apart from the matters reserved for the General Meeting of Shareholders, the Board of Directors is the highest representative and decision-making body. It has no substantial constraints apart from those laid down in the law and the By-Laws, particularly regarding the Company's corporate purpose. Full information on the Board of Directors' composition, as well as its members' profiles, can be found in section C.1 of the Annual Corporate Governance Report and on the Company's website⁸.

Siemens Gamesa's Board of Directors is the body responsible for reviewing and formulating this Consolidated Non-financial Statement, which is approved by the General Meeting of Shareholders.

A.5.3 Board Committees

The Board of Directors has a Delegated Executive Committee and two specialized committees to deal with specific areas, which are entrusted with powers to report, advise, make proposals and exercise oversight and control. The specialized committees are a) the Audit, Compliance and Related Party Transactions Committee, and b) the Appointments and Remunerations Committee. Detailed information on these Committees can be found in the Annual Corporate Governance Report and on the Company's website.

Delegated Executive Committee

The Delegated Executive Committee has been granted some of the powers of the Board of Directors, excluding amongst others those whose delegation is not permitted by law, the By-Laws or the Regulations of the Board of Directors. Articles 5 through 7 in Chapter

II of the Regulations of the Delegated Executive Committee⁹ set forth this committee's duties.

Audit, Compliance and Related Party Transactions Committee

This is a permanent internal body of the Board of Directors for reporting and consultation purposes. It is entrusted with informing, advising and making recommendations. Articles 5 through 14 in Chapter II of the Regulations of the Audit, Compliance and Related-Party Transactions Committee (ACRPT)¹⁰ set forth this committee's duties.

The ACRPTC functions related to the process of preparing non-financial information, to the appointment of the external assurance provider and to sustainable development are defined in Art.9 of the Regulations of the ACRPTC.

Appointments and Remunerations Committee

This Committee is a permanent internal body of the Board of Directors for information and consultation purposes. It is entrusted with informing, advising and making recommendations concerning matters within its scope. Articles 5 through 9 in Chapter II of the Regulations of the Appointments and Remunerations Committee¹¹ set forth this Committee's duties. More specifically, its primary functions are to oversee the composition, performance and assessment of the Company's Board of Directors and Top Management, along with their remuneration.

A.5.4 Executive Level Positions

[102-19] The General Meeting of Shareholders of Siemens Gamesa held on July 22, 2020, approved the ratification and re-election of Mr. Andreas Nauen within the category of executive director and he accepted his appointment and the ratification of the delegation of powers on the same date. For further information, please refer to section C.1.9 of the Annual Corporate Governance Report 2021.

[102-20] The Company's organization chart includes functions with responsibility for the economic, social and environmental areas. Additionally, the highest-ranking officers of these functions report to the Board of Directors whenever they are requested to do so.

As of September 30, 2021, the top management positions of Onshore CEO, Offshore CEO and Service CEO are occupied by Mr. Lars Bondo Krogsgaard, Mr. Marc Becker and Mr. Juan P. Gutiérrez respectively. Top management corporate positions are as follows: Ms. Beatriz Puente (CFO), Mr. Christoph Wolny (COO) and Mr. Jürgen Bartl (General Secretary). Other key management positions are occupied by Mr. Carlos Albi (Chief Strategy and Corporate Affairs Officer) and Mr. Javier Fernández-Combarro (Human Resources Director). Their curriculum vitae can be found on the Company website.

A.5.5 Remuneration

[L11-HR07] The Annual Report on Remuneration of Directors is submitted for a consultative vote to the Company's General Meeting of Shareholders on an annual basis. In accordance with prevailing legislation, the remuneration policy of the current year and of the preceding year includes each director's individual remuneration.

Total remuneration of members of the top management amounts to €5,643 thousand in fiscal year 2021 (€7,901 thousand in FY20). The difference between the two years is explained by two departures of top management from the company in fiscal year 2020, which increased the cost significantly. The average remuneration of members of the top management amounts to €852 thousand in fiscal year 2021 (€ 1,158 thousand in FY20), without distinction by gender. There is one woman in the top management team, so it is not possible to break down the individual amount of her remuneration for confidentiality considerations, although there is no gender discrimination.

Additional information about top management and their overall remuneration is provided in section C.1.14 of the Annual Corporate Governance Report 2021 ¹².

Detailed information is contained in the Annual Report on Directors' Remuneration ¹³ section and is also disclosed in the Annual Corporate Governance Report for the year.

A.5.6 Legal and Administrative Proceedings

[L11-SO09] Due to the nature of our business, all commercial transactions with clients are carried out under specific contracts. Therefore, any customer complaints are related to such contracts and are dealt with within that framework. In the ordinary course of business, we are involved in out-of-court disputes, litigation and arbitration proceedings as well as administrative proceedings. Frequent situations include claims for alleged breaches of contract (particularly claims brought by or against project partners and customers relating to delays, poor performance or non-performance), labor disputes, antitrust issues, product liability and warranty claims as well as infringement or the validity of IP rights.

Most cases arise from the interpretation of agreements and are resolved through contractual agreements, guarantees and warranty extensions, etc. The cases that remain open this fiscal year include: i) Customer claims regarding commercial disputes over project delays, and; ii) Disputes or disagreements about IP rights. The latter involve competitors or other third parties and relate to the validity of IP rights or infringements. Siemens Gamesa is a party to several licensing agreements that provide it with IP rights (patents, trademarks and design rights) that are either necessary or useful for the Company's business. Disputes or disagreements have occasionally arisen concerning the fulfillment of existing agreements, the interpretation of the scope of use of the IP rights granted to Siemens Gamesa by third parties (including competitors) and alleged IP infringements. The group covers such risks by means of appropriate provisions and guarantees to minimize the risk that they will materialize.

A.6 ESG: Ratings and Sustainability Indexes

The Company responds to specific demands related to ESG, including: i) Specialized support for the growing demand from investors for detailed information on environment, social and governance issues; ii) Support for the growing ESG data and information requests and engagement by ESG rating agencies; and iii) Support for the increasingly demanding requirements in the area of non-financial information reporting. Siemens Gamesa held numerous meetings (>50) with analysts and investors during this fiscal year. While most of them wanted to discuss the Company's ESG management and performance in general, other common engagement topics include climate change, diversity and inclusion, product life cycle (blade recycling), and the use and sourcing of rare earth elements and balsa wood.

A.6.1 Non-financial Reporting

ESG department is responsible for coordinating with the business areas and for gathering all the information required for the annual CNFS report and also for the half-year and quarterly financial reporting for delivery to investors, which includes a number of material ESG KPIs. To ensure accuracy of the data, we have implemented an internal business intelligence tool that requires top management approval from the person responsible for each business area. Additionally, the information is presented to the ACRPTC, which is responsible for the internal approval of quarterly and annual ESG reporting. During the final stage of preparation of CNFS reporting, the external auditor provides limited review of all the content, ESG data and information.

A.6.2 ESG Ratings and Sustainability Indexes

S&P Global ESG Evaluation¹⁴: Siemens Gamesa underwent an ESG evaluation from S&P Global for the first time in May 2021. The Company obtained an excellent result: a score of 84 out of 100. At the time the evaluation was released, Siemens Gamesa was the only wind turbine manufacturer analyzed and it ranked #1 among Spanish companies.

In the environment assessment (score of 84/100), S&P emphasizes our key role in fostering decarbonization across the energy sector supported by the Company's strong climate strategy, highlighting GHG intensity reduction, efforts to address scope 3 emissions, the net-zero target by 2050, SBTi targets including suppliers, and the goal to produce blades that are 100% recyclable.

The social issues assessment (score: 77/100) identifies improvements in safety performance, workforce strategy focusing on innovation and inclusion, and employee training and diversity targets and performance. The assessment of governance issues (score: 76/100) provides an overview of appropriate Board composition, skillset and experience. It highlighted the Company's transparency, reporting and robust values, policy framework, and ethical behavior, mitigating bribery and corruption risks and limiting human rights exposure in its value chain.

The evaluation report also highlights Siemens Gamesa's strong preparedness (additional +3 points in the total ESG score) to face the future in the industry as it continues to lead cutting-edge developments that bring significant environmental benefits to its

customers in the global transition toward a more sustainable, and low carbon economy.

ESG rating agencies measure the company's exposure to, and management of, environmental, social and governance (ESG) practices. Siemens Gamesa receives outstanding ESG ratings from most ESG rating agencies: it ranks #1 in its sector according to two ESG agencies: ISS ESG and FTSE Russell ESG; it ranks #2 according to Vigeo-Eiris and S&P Global's Corporate Sustainability Assessment (the agency that analyzes the constituents of the Dow Jones Sustainability Index); and is in the 97th percentile from Sustainalytics.

Therefore, Siemens Gamesa is eligible for inclusion in institutional and ESG investors' portfolios and in sustainable investment indexes such as the Dow Jones Sustainability Indexes (World and Europe), FTSE4Good, Bloomberg Gender-Equality Index, STOXX Europe Sustainability Index, Euronext Vigeo and the Ethibel Sustainability index families.

S&P Global Corporate Sustainability Assessment¹⁵ (CSA and Dow Jones Sustainability Index): S&P Global ESG (November 2021): Rating 83^{/100} (79^{/100} in 2020) and 99th percentile. Ranks #2 out of 126 companies within the Machinery and Electrical Equipment industry. The Company obtained a score of 92^{/100} in the Environmental dimension (vs. industry mean of 31), a Governance score of 81^{/100} (vs. industry mean of 27) and a Social score of 79^{/100} (vs. industry mean of 26). Siemens Gamesa scored particularly well in the following aspects: climate strategy, product stewardship, innovation management, codes of business conduct, risk & crisis management and supply change management. Siemens Gamesa also received the Industry Mover Award in The Sustainability Yearbook 2021. The Company is included in Dow Jones Sustainability Indexes (World and Europe).

Vigeo-Eiris: In FY20, Vigeo-Eiris ranked the Company #2 among the 29 companies in the Electric Components & Equipment sector for its ESG performance. Within ESG issues, the Company outperforms the average of the Electric Components and Equipment sector in all three themes (E,S,G). In terms of carbon footprint, Siemens Gamesa obtained a top ("A") rating and a top ("Advanced") Energy Transition Score. Additionally, Vigeo-Eiris ranked Siemens Gamesa as a top ("Major") contributor to sustainable development through its products and services.

The Company is currently in the following indexes produced by Vigeo-Eiris: i) Euronext Vigeo Europe 120; ii) Euronext Vigeo Eurozone 120; iii) Euronext Eurozone ESG Large 80 index and iv) Ethibel Sustainability Index-Excellence Europe.

FTSE Russell ESG Ratings: In the FTSE Russell assessment of Siemens Gamesa's ESG standing, the Company stands out within the sector with an overall rating of 4.6 (out of a maximum of 5) and is ranked #1 (100th percentile) in the following FTSE ICB sector: Oil & Gas - Alternative Energy - Renewable Energy Equipment. Within the ESG dimensions, the Company outperformed the average of the Renewable Energy Equipment sector in all three areas (E,S,G). Additionally, the Company outperformed the average of Spanish rated companies in all E, S and G aspects (i.e. climate change, pollution and resources, health and safety, labor

standards, anti-corruption, corporate governance, and tax transparency). FTSE Russell manages the FTSE4Good Index Series, of which Siemens Gamesa has been a constituent since 2005.

Sustainalytics¹⁶: Siemens Gamesa received an ESG rating of 15.4 from Sustainalytics and was assessed to be at Low Risk of experiencing material financial impacts from ESG factors. Siemens Gamesa's ESG risk rating places it # 5 out of 188 (97th percentile) in the Electrical Equipment industry.

The Company is a constituent of the following ESG indexes: STOXX Europe Sustainability and STOXX Thematic index family (ESG), which integrate data and analysis from Sustainalytics and ISS ESG.

MSCI ESG¹⁷: Siemens Gamesa received an A rating (on a scale of AAA-CCC) in the MSCI ESG ratings assessment in February 2021, allowing the Company to be included in MSCI ESG indices with an investment grade rating.

Bloomberg¹⁸: In 2021, Siemens Gamesa was confirmed in the Bloomberg Gender-Equality Index (GEI). This index includes 380 companies from 11 sectors and 50 industries with a combined market capitalization of USD14 trillion headquartered in 44 countries and regions. The GEI tracks the financial performance of listed companies committed to supporting gender equality through policy development, representation, and transparency. This benchmark index measures gender equality across five aspects:

female leadership and talent pipeline, equal pay and gender pay parity, inclusive culture, sexual harassment policies and pro-women brand.

CDP:¹⁹

CDP recognized our efforts to decarbonize our operations and supply chain. This has resulted in Siemens Gamesa receiving an A score, awarded only to the top 30% of companies that are currently implementing best practices. Siemens Gamesa is the only wind OEM to receive an A score. Further, CDP has developed an annual Supplier Engagement Rating (SER) that assesses and encourages action on climate issues in companies' supply chain, based on the CDP Climate Change Questionnaire. It covers governance, targets, value chain emissions (Scope 3) and supplier engagement strategies, and it feeds into the Company's climate score. In this category, Siemens Gamesa was also selected amongst the highest scoring companies — among the top 7% of companies that completed the full climate questionnaire this year – and was consequently recognized in the Supplier Engagement Leaderboard.



Figure 7. Siemens Gamesa key ESG indexes & ratings

A.7 Sustainability

A.7.1 Management Approach

[L11-SO01] At Siemens Gamesa, we believe that sustainable development and commercial success go hand in hand. We strive to advance social and economic progress by being a global force for sustainable development. This means being a company that responds to evolving market trends and building a team of engaged, productive and valued employees. Above all, it means being a company that does not just respond to social progress but also aligns with and helps to lead it.

[L11-G06] Siemens Gamesa is equipped with a set of corporate policies that implement the principles reflected in the corporate governance system and contain the guidelines which govern the Company's actions and those of its subsidiaries, along with the actions of its directors, executives and employees under the framework of the Company's strategic plan and vision and values.

A.7.2 Alignment with the UN Sustainable Development Goals (SDGs)

[L11-G01] [102-15] As a business, our self-interest also spurs us to drive this agenda forward and to contribute to achieving the SDGs. Siemens Gamesa has an impact on a significant number of SDGs in four important ways: i) Through our products and services, ii) By operating our business responsibly, iii) Through our expertise and thought leadership, and iv) Through our social commitment.

The Company has identified and prioritized the SDGs that are most relevant to us, given the countries and sectors in which we operate. We identified high, medium and low-impact SDGs. For the most part, the SDGs that we consider having a higher impact are strongly correlated to our products and services, often in combination with thought leadership initiatives in collaboration with partners around the world.

SDG7: Ensure access to affordable, reliable, sustainable and modern energy for all. Siemens Gamesa is shaping the renewable energy industry, leading the way forward. The Company provides cleaner, more reliable and affordable wind power and is a leading supplier of wind power solutions to customers all around the world.

SDG13: Take urgent action to combat climate change and its impacts. Siemens Gamesa set a target of becoming CO₂-neutral in all its operations by 2025 and achieved carbon neutrality already at the end of fiscal year 2019. The Company is thus highlighting the need for businesses to contribute to decarbonizing the economy. With our products and services, we help to improve energy efficiency and reduce CO₂ emissions.

SDG5: Achieve gender equality and empower all women and girls. Our main impact on SDG5 is by managing our own workforce. Siemens Gamesa recognizes that employees represent a large variety of cultures, ethnicities, beliefs and languages.

SDG8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. Siemens Gamesa directly impacts SDG8 through its global operations that contribute to GDP growth in many countries, our commitment to providing decent jobs and enabling employment

and by driving the decoupling of economic growth from energy usage in our capacity as a thought leader.

SDG16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels. Our Company is committed to implementing the UN Global Compact's requirements and all other relevant regulations in our supply chain and disseminating them through partnerships with external organizations and institutions.

A.7.3 Relationship with Stakeholders

[102-40] The Company's relationship with stakeholders is two-fold: from the standpoint of sustainability, responding to their expectations and needs and, from a reputational perspective, managing stakeholders' perceptions of the Company. Siemens Gamesa has a wide variety of stakeholders that include: i) Customers; ii) Employees; iii) Shareholders; iv) Investors, analysts & ESG rating agencies; v) Suppliers; vi) Governments and regulators; vii) Media and viii) Society and communities in general. [102-42] The group's stakeholders are identified through internal processes of reflection involving the management team and based on established relationships with key groups to meet both their expectations and the Company's needs.

The Company engages with stakeholders through dedicated channels (mailboxes, dedicated portals, annual or multi-annual surveys...) to identify the most important issues and provide a reasonable response to their expectations whenever possible.

A.7.4 Material Topics and Boundaries

[103-1] Siemens Gamesa conducts materiality assessments on sustainability issues to identify the topics that are most relevant to our Company's long-term business success and matter most to Siemens Gamesa's internal and external stakeholders. The list of material topics and the general process is explained in section G. For Siemens Gamesa, all material topics are relevant throughout our value chain, unless otherwise indicated.

[102-47] Material issues for our stakeholders include governance, respect for human rights, work practices, environmental impacts, value chain operations, and positive and negative impacts on local communities. Details of the materiality analysis can be checked in Section G. Materiality Analysis.

A.7.5 Sustainability Policy

[103-2] For Siemens Gamesa, the main purpose of the management approach is to manage the major risks and opportunities of all material topics, including financial and non-financial risks and opportunities. Our vision of sustainability addresses the business's responsibility to a wide range of stakeholders in addition to shareholders and investors. There are many areas that may impact our business footprint both now and, in the future, such as overall environmental protection and the well-

being of employees, along with the community and civil society in general.

[102-26] The Board of Directors is aware of the responsibilities of Siemens Gamesa towards society. It is committed to ensuring that it operates in accordance with a set of values, principles, criteria and attitudes aimed at achieving the sustained creation of value for shareholders, employees, customers and society. This target is reinforced by the principles contained in Siemens Gamesa's Sustainability Policy²⁰.

A.7.6 Related policies and commitments

The Company's corporate governance system is comprised of the Articles of Association, its corporate policies, internal rules of corporate governance and the other internal policies, codes and procedures that are described in detail on the group's corporate website²¹. Key policies setting out detailed information about roles, responsibilities and commitments in connection with material issues are as follows:

- Our Mission, Vision and Values.
- Corporate Group policies: Sustainability, Diversity and Inclusion, Supplier Relationship, Human Rights, Social Commitment, etc.
- Business Conduct Guidelines.
- Internal policies, procedures and instructions.
- Supplier Code of Conduct.
- Other sustainability processes and commitments at Siemens Gamesa.

A.7.7 Global Sustainability Commitments

[102-12] The Group voluntarily endorsed several codes of ethical principles and good practices.

- **United Nations Global Compact:** The Group has endorsed the principles of the United Nations Global Compact (participant ID 4098) and, each year, it reaffirms its commitment to, and support for, the ten principles in the area of labor rights, human rights, environmental protection and the fight against corruption. The Company publishes a Communication on Progress Report (COP) each year, which reviews compliance with those principles. This document is published on the United Nations Global Compact website²².
- **Global Reporting Initiative (GRI)** Since 2004, the Company has disclosed sustainability information referencing the evolving guidelines of the Global Reporting Initiative (GRI), a non-governmental organization which aims at transparency and comparability of corporate sustainability reporting.
- **Paris Pledge for Action:** The Group endorsed the Paris Pledge for Action and welcomed the adoption of a new universal agreement at the COP 21 in Paris; it also pledged support to ensuring that the aspirations of the agreement will be attained or surpassed.
- **Caring for Climate:** "Caring for Climate: The business leadership platform" is a UN Global Compact Initiative. Its goal is to involve businesses and governments in acting on climate change, energy efficiency, reduction of greenhouse gas (GHG)

emissions and positive collaboration with other public and private institutions. Siemens Gamesa joined voluntarily in June 2007.

- **Women Empowerment Principles:** The "Principles of Empowerment of Women" are promoted by UN Women/UN Global Compact and aim to foster business practices that empower women and promote gender equality, including equal pay, equal opportunity for career advancement, paid parental leave and zero tolerance for sexual harassment in the workplace, marketplace and community, and to drive positive outcomes for society and business. Siemens Gamesa endorsed the "Principle of Empowerment of Women" in December 2010.
- **Science Based Targets (SBTi):** Science Based Targets (SBTi) is a joint international initiative of CDP, UN Global Compact, World Resources Institute, Worldwide Fund for Nature and We Mean Business coalition. It aims to reduce carbon emissions in a measurable manner and to meet the objective of not exceeding 2 degrees Celsius of global warming established in the Paris Climate Agreement. Siemens Gamesa voluntarily joined this initiative on September 12, 2018; In August 2020, SBTi checked that its emission reduction strategy is aligned with what climate science says is required to meet the 1.5°C trajectory.
- **Business Ambition for 1.5C – Our Only Future:** At the climate change talks in Madrid (COP-25), Siemens Gamesa adopted the pledge for business to do its part in helping the planet avoid overheating by more than 1.5C in the coming years. The pledge obliges companies to meet emission objectives evaluated through the UN's Science Based Targets initiative (SBTi), or to make a public commitment to reach net-zero emissions by no later than 2050.

A.7.8 Responsibilities

The Siemens Gamesa governance structure in connection with sustainability consists of the following:

- The **Board of Directors** sets the strategic direction and ambition for sustainability at Siemens Gamesa in alignment with the Corporate Strategy, approves the Sustainability Strategy and Targets and monitors their achievement. It also formulates the Consolidated Non-Financial Statement, after receiving a report from the Audit, Compliance and Related Party Transactions Committee and the Appointments and Remunerations Committee.
- The **Audit, Compliance and Related Party Transactions Committee (ACRPTC)** is responsible for overseeing the integrity of the Consolidated Non-Financial Statement and other functions related to overseeing the sustainability strategy and practices. Further details about the competencies attributed to this Committee can be checked at Siemens Gamesa's Sustainability Policy.
- The **Executive Committee** approves the Sustainability programs, assigns responsibility and resources for the programs at executive level and monitors progress. Further details about the competencies attributed to this Committee can be checked at Siemens Gamesa's Sustainability Policy
- In 2021 the Company created the "**Sustainability Working Group**" The Sustainability Working Group is appointed by the Executive Committee and is accountable for developing and

championing the sustainability strategy and its constituent programs and targets. The Sustainability Working Group reviews the Sustainability Strategy on an annual basis, provides recommendations for adding or updating programs and targets, monitors performance and KPIs related to the programs and approves the related data; it also proposes the Sustainability Programs Portfolio for approval by the Executive Committee. The Sustainability Working Group, which is chaired by the head of QM&HSE, meets regularly and each member has governance responsibility for specific programs, policies and procedures.

- The **business units and corporate functions** are responsible for developing procedures and defining and implementing actions to fulfil the programs and targets applicable to their scope and reporting on performance in implementation of the sustainability programs. The business units and corporate functions perform a yearly review of the existing themes, programs and targets and propose updates to the Sustainability Working Group.

A.7.9 Objectives, Resources and Results Evaluation

[L11-G07] [103-3] Siemens Gamesa regularly discloses its medium and long-term objectives. This report discloses all the sustainability topics that are material to the Company including a management approach for each of them. Internally, the business units and corporate functions set their annual targets according to the group's financial and non-financial strategic objectives. The results obtained in relation to the targets are used to set the annual variable remuneration of the Company's management team.

[103-1] Siemens Gamesa puts decarbonization, recyclability and people at heart of its ambitious new sustainability strategy. In July 2021, the Company launched its **Sustainability Vision towards 2040**²³ to ensure its contribution has the greatest impact in the future.

Decarbonization: Among the numerous projects and initiatives, the plan outlines a way to help achieve a decarbonized economy with the goal of reaching net-zero emissions by 2040, including emissions produced by the Company's whole value chain. Previously, the net-zero target was for 2050.

To this end, the Company will pursue opportunities to achieve a carbon intensity rate of zero-emissions per MW installed without any offsets. Some of the main actions will be replacing existing heating and cooling systems with new zero carbon alternatives, and self-generation in the wind farms and factories.

Commitment to the circular economy: The wind industry is still relatively young and is aware of its responsibility to find a sustainable way to deal with wind turbine components at the end of their life cycle. Most of the components of a wind turbine are already recyclable, but wind turbine blades, specifically, represent a challenge due to the materials used and their complex composition.

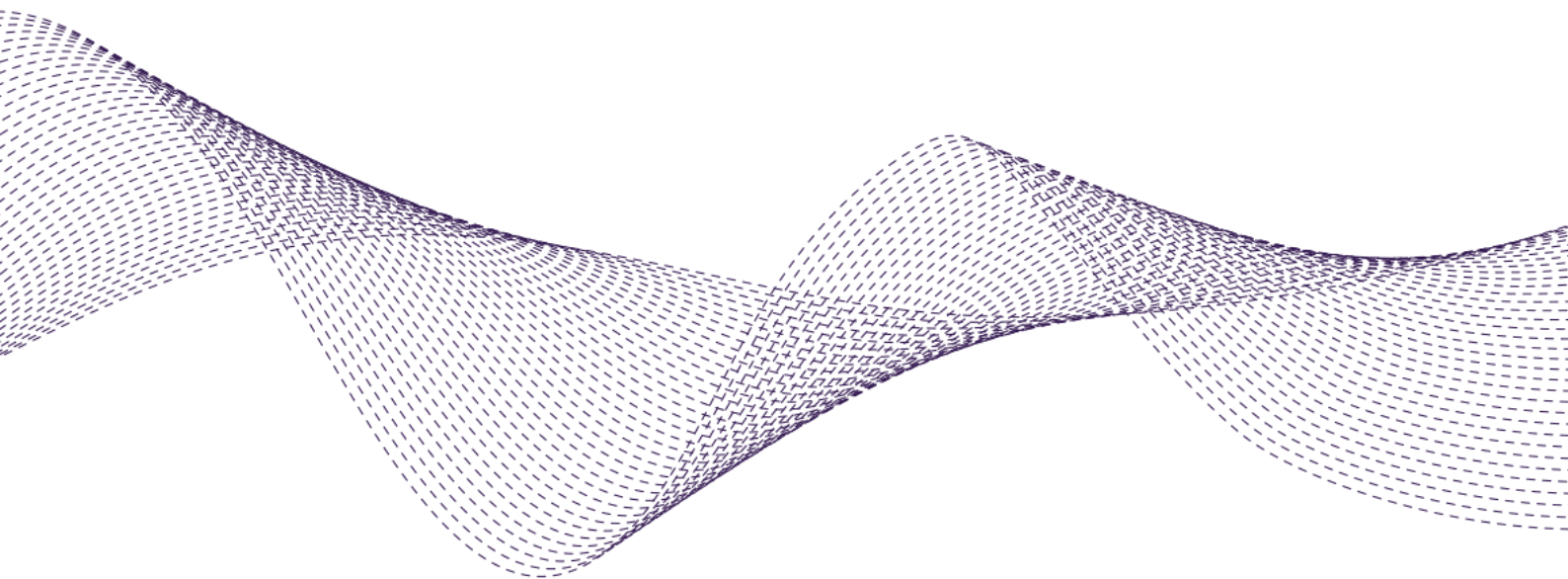
The Company announced an ambitious goal to redesign its turbines to ensure that, by 2040, all turbines it markets will be 100% recyclable, and that blades will be fully recyclable by 2030. This marks a milestone on the path towards a fully recyclable wind turbine value chain.

Generating a real impact in the Company as well as in society: Siemens Gamesa embraces diversity, promotes equal opportunities for all, particularly under-represented groups, and fosters a safe, inclusive environment in which every individual has a full sense of belonging and feels empowered to express themselves. To this end, the Company has set ambitious targets for gender equality and commits to increase female representation in the workforce as well as in senior management to 30% by 2030. The Company focusses its social commitment projects on reducing poverty in communities, fighting climate change, and promoting technical education in line with the future needs of society. These are compatible with the Company's goal of aligning its focus to the United Nations' Sustainable Development Goals. More information is available on our new Social Commitment platform.



Figure 8 - Siemens Gamesa renewed sustainability strategy 2021-2040

B. Social and Human Resources Related Matters



B1. Working at Siemens Gamesa

B.1.1 Management Approach

Empowering people to lead the future and maintaining a culture of trust are essential to Siemens Gamesa's business model. They are central to the business strategy, organization, hiring and decision-making process and daily operations, and to how the Company and employees grow.

The **Culture of Trust** program was established right at the beginning of the merger to ensure and support the development of a shared corporate culture across the group based on trust, empowerment, diversity and continuous learning. These four pillars support our Company values.



Figure 9 – Culture of Trust at Siemens Gamesa

B.1.2 Our Employment Model

[L11-HR10] Siemens Gamesa aims to be an employer of choice by pursuing improvements in people's quality of life, and by empowering and motivating all employees with an exciting culture, life-long learning and development possibilities. Our employment model is based on respect for and compliance with universal human rights standards and labor legislation, professional development, inclusiveness and occupational health and safety.

Due to the very nature of its business, Siemens Gamesa's production plants need to operate round the clock, with the result that certain groups (generally those classified as direct and indirect labor) must work in shifts. Nevertheless, shifts can be rotated to adjust working hours to workers' specific needs. Siemens Gamesa provides work-life balance measures where this is possible. They include flexible hours, straight shifts, and adapting work schedules to certain family circumstances.

We pursue labor relationships that are based on trust, transparency, and good faith negotiations. We believe in, and promote, workers' right to freedom of association, union membership and collective bargaining. [See Section B4. Labor Relations for more details]

We offer professional development opportunities in the form of training and job experience in a multicultural and multinational environment; these are the cornerstones on which we base our talent management cycle. Siemens Gamesa has talent management tools involving general programs and individual plans

for high potential employees. Such plans are aimed at contributing to personal growth and developing desired competencies and skills. In addition to individual development plans, the Company has other programs for developing talent. [See Section B5. Talent Management and Learning for more details]

The Company embeds cultural diversity, a commitment to combating discrimination, and support for equal opportunities in its human capital management processes. We value openness and tolerance and treat each other with respect and dignity. We aim to contribute actively to a society where everyone feels included and valued. We are dedicated to fostering an inclusive corporate culture that welcomes different perspectives and allows for every employee to have a full sense of belonging within our organization. [See Section B3. Diversity and Equal Opportunity for more details]

Occupational health & safety is embedded everywhere in the Siemens Gamesa culture. Our Company complies with existing legislation in every market where we have a presence, and we establish such safety measures as may be necessary. Beyond specific market requirements, we are always guided by excellence and continuous improvement, and we apply an integrated health and safety, environment and quality management policy lens to all that we do. We have a zero-tolerance policy towards negligent occupational health and safety conduct. [See Section B2. Health & Safety for more details]

Our labor policies and practices are underpinned by endorsement of the most stringent international labor standards (including the conventions of the International Labor Organization – ILO – and United Nations) and are expressed in the promotion of employee rights, particularly the right to freedom of association and collective bargaining, going beyond local requirements in this respect. [See Section D. Fight against Corruption and Bribery. Respect for Human Rights for more details]

B.1.3 Great Place to Work

As a modern flexible Company, we want to be able to adapt quickly to changes in our circumstances and to our employees' needs. Therefore, we carry out surveys on how people would like to work and have developed a sustainable work model that is both socially responsible in terms of work-life balance and well-being, and environmentally responsible in accordance with our Company purpose.

FlexAgility, the term for the way we work at Siemens Gamesa, has been upgraded to version 2.0, a key step towards becoming One Siemens Gamesa. We have reviewed and revised the existing open, digital and flexible concepts to move from new ways of working to more ways of working.

The **Smart Working concept** launched by Human Resources enables employees to reach an agreement with their manager to work at home, or in a satellite location, for part or all of their working week. Office 365 and the new IT infrastructure provide a collaboration platform for all Siemens Gamesa employees, regardless of where they are. And the **New Office Standard 2.0 - NOS 2.0** - provides modern office space to support flexible working and a standardized global office set-up. With NOS 2.0, we will step up the focus on flexibility and collaboration.

B.1.4 Performance 2021. Response to COVID-19

In response to the COVID-19 crisis, Siemens Gamesa evolved its ways of working with impressive speed and responsiveness. Most of our staff moved to remote working arrangements, with the exception of front-line staff in critical or essential occupations. We redefined the IT environment to allow home access and virtual collaboration. We maintained high-level health and safety standards to safeguard the health of those colleagues working on site to deliver vital services to businesses and customers. All this was done at an extraordinary pace.

Remote working at the current scale was never a choice, but a necessity. And it has worked, for the most part. In fact, in several surveys, more than 70% of office employees expressed a preference for working from home for at least 50% of the time in order to improve their work-life balance. However, this new way of working can have undesirable effects on workers in terms of both workload and stress levels. The Company has implemented specific programs in order to safeguard workers' mental health.

We recognize that meaningful change takes time and none of our actions will succeed without the right culture and working environment. That is why we will continue developing **flexible work, digital disconnection and family-friendly policies** as the cornerstones of the new way of working.

B.1.5 Employee Survey

Siemens Gamesa promotes a culture that is transparent, open and collaborative. Being interested in our employees opinion and listening to them promotes understanding and empathy. Assuring our teams that they have been heard, and acting on it, is a powerful and demonstrable commitment to them. For this reason, we periodically carry out engagement surveys which are a powerful tool to measure and improve the engagement drivers that matter most to build our corporate culture.

This fiscal year 2021 the Employee Engagement Survey (EES) was conducted again with a response rate of 79% (82% in FY20). The survey collects company-wide feedback from 58 questions in 17 categories. Notably, the results reveal widespread satisfaction with the Company's safety culture (83% favorable score), along with an improved perception of the supervisor (77% favorable score) and the sustainable engagement (75% favorable score). These are the top 3 most favorable categories.

Valuing the importance of our employees is one of the Company's values and therefore we have included 2 indicators in the survey that measure our employee global satisfaction. The intention of our employees not to leave Siemens Gamesa' scores 60% (68% in FY20), meaning that 60% of our employees are not considering leaving the company. The 'Net promoter Score (NPS)' is the result of % Promoters - % Detractors. It shows whether our employees would recommend Siemens Gamesa as a good place to work. The NPS 2021 is -12 (NPS 2020 +3).

Although we've seen progress in some areas over the last year, we cannot be satisfied with this negative development in our employee global satisfaction. We know we have to reverse this to our previous positive trend and therefore the company is committed to working hard to create a work environment and a company culture that engages, inspires and retains our workforce even stronger.

The results of the Employee Engagement Survey that was conducted in FY20 were analyzed in detail during FY21 and our leaders defined more than 2,000 actions, 1,219 of which have already been completed. Though results of the EES 2021 are still to be analyzed in detail, we will focus entirely on continuing to improve employee engagement, employee satisfaction and high performance. The Company will analyze the results to plan new improvement actions in each of our businesses, departments and teams.

B1.6 Employees Worldwide

[L11-HR01] At the end of the reporting period, the total headcount was 26,182 employees (26,114 in FY20). [See Table 10 - Employee breakdown by country or market]. Europe, the Middle East and Africa was the region with the highest proportion of the workforce (69%), followed by Asia and Australia (18%) and the Americas (13%). The age structure in fiscal year 2021 was dominated by employees aged 35-44 (38%) and the under-35 age group (35%), followed by the 45-54 (20%) and 55-60 (5%) groups, with those over 60 accounting for just 2%. [See Table 11 - Employee breakdown by gender, region, age structure and professional category]

The overall employee turnover rate for the reporting period was 7.66% (7.04% in FY20). [See Table 18 - Overall employee turnover rate (%) - Annualized]

The average age of employees was 41 in Europe, the Middle East and Africa, 40 in the Americas and 35 in Asia and Australia. The overall average age of the group's employees was 39.8 at fiscal year-end (39.2 in FY20). [See Table 12 - Overall age]

B1.7 Contracts

[L11-HR02] [L11-HR03] At the end of the fiscal period, 24,312 employees out of 26,182 (93%, similar to FY20) had permanent contracts and 1,357 employees (5%) had temporary contracts. Another 2% (513 employees) were working part-time.

On average, the number of permanent contracts during fiscal year 2021 amounted to 24,265 out of an average headcount of 26,020. Accordingly, 93% of contracts were indefinite or permanent during the year. This situation suggests that both parties wish to maintain a fully committed long-term employer/employee relationship.

[See Table 13 - Contract type by gender, professional category and age structure] [See Table 14 - Average contracts in fiscal year 2021 by Region, Category level, Contract type and Gender]

B1.8 Hiring and Exits

[L11-HR04] [401-1] The number of hires in the reporting period amounted to 3,750 (4,932 in FY20). Europe, the Middle East and Africa accounted for the largest proportion (61%) of hires. Men accounted for the bulk of hires in the fiscal year: 3,077 (82%). [See Table 28 Hiring by region, gender, age group and level]

A total of 3,794 employee left the Company in FY21 (3,275 in FY20), 1,992 (53%) of them voluntarily. [See Table 29 - Exits by gender and type of exit, region, age group and level]. Headcount only includes active employees (not dormant employees). Therefore, headcount variation between periods can differ from a simple balance of hires and exits.

B2. Health & Safety

B.2.1 Management Approach to Health & Safety

[L11-HR13] Maintaining the health, safety and wellbeing of our employees is a core value of the Company. It is an essential part of risk management and internal controls at Siemens Gamesa, as well as of our Business Conduct Guidelines. Safeguarding the safety and well-being of our employees is linked to some of the UN's Sustainable Development Goals, namely SDG 03 (Good Health and Well-Being), SDG 08 (Decent Work and Economic Growth) and SDG 16 (Peace and Justice).

We continuously implement health and safety improvements at our production facilities and across our operational and project sites. These are monitored and verified through internal systems. Furthermore, we work on industry-driven initiatives across our value chain and participate in networks that focus on health and safety in the wind industry to raise awareness and adopt best practices. These industry groups usually include customers and suppliers, industry associations, research institutes and similar.

B.2.2 Policy Framework: Health & Safety Policy

The **Siemens Gamesa Policy**²⁴ provides clear direction and specific objectives with regard to Quality, Health, Safety and Environment. It consists of six pillars which form the basis of how the global HSE strategy is defined across the Company and it is reviewed periodically and updated accordingly. The policy applies to all Siemens Gamesa activities worldwide and is mandatory for all employees working for the Company, on its behalf or under its authority.

B.2.3 Zero Harm Culture

Safety is the prerequisite for every activity in Siemens Gamesa. It goes further than legislation and market requirements — it is a precondition for all the work we do. We believe that we will only become the global industry leader if we are also the leader in safety. The Company works hard to ensure there is a firmly implemented safety and zero-harm culture across the entire business for employees, suppliers and customers. We apply a just and fair culture approach, supported by relevant disciplinary policies in the event of deviations. Siemens Gamesa has launched several initiatives to foster and promote a zero-harm culture, such as the following:

Safety is my choice

“Safety is my choice” is Siemens Gamesa's umbrella initiative, which was initiated globally in 2018. It focuses on individual behaviors by reminding employees of their own role and responsibility in safety as a key for success.

Whilst Siemens Gamesa takes many steps to create a zero-harm culture by implementing preventive measures, offering training courses and providing a wide range of resources and tools, safety at work ultimately requires a personal commitment, hence the ongoing references to “Safety is my choice”.

The initiative also seeks to ensure that safety is seen as a positive aspect of working for Siemens Gamesa rather than a barrier. In this respect, leadership has a special role to play in safety awareness, and cultural change must be supported by leadership.

LeadSafe

This project aims to allow the organization to speed up its progress towards zero harm. The LeadSafe project focusses on i) Raising risk awareness throughout the Company; ii) Building leadership skills related to safety management, and iii) Improving the safety of our engineering processes. LeadSafe is implementing several actions across all echelons of the organization: top management, middle management and all staff members. Leadership workshops, coaching sessions, and implementation of the Risk Factor™ are some of the initiatives in this project, together with engineering safety awareness workshops on “Safety in Design” while promoting sharing of tools and best practices.

Life-Saving Rules

The “10 Life-Saving Rules” are the minimum expectation that must be fulfilled in all Siemens Gamesa activities. They cover the most critical life safety hazards that, in the past, have been found to cause serious injury or loss of life in the wind industry. Implementation of these rules is part of the Company's commitment to continuous improvement in HSE and contributes to strengthening our “Safety is my choice” culture.



Figure 10 - SGRE 10 Life-Saving Rules

B.2.4 External Commitments

Siemens Gamesa's commitment to health and safety is reflected not only in our internal policies, but also in our involvement in external associations such as WindEurope, the Global Wind Organization (GWO), and the Global Offshore Wind Health and Safety Organization (G+), in which the Company's representatives play key roles.

B.2.5 Health & Safety Management System

The Quality Management and Health, Safety and Environment (QM&HSE) function, led by the Global Head of QM&HSE, is responsible for the governance of Siemens Gamesa's Integrated Management System (IMS), including all HSE-related certifications, policies and procedures.

Siemens Gamesa has an Occupational Health and Safety Management System certified according to the ISO 45001:2018 standard. The scope of certification covers all functional areas and core processes related to the sale, design and development, procurement and manufacturing of wind turbines as well as other mechanical and electrical components for both wind and non-wind applications. Project development, including, construction, installation and service of wind turbines, is also covered by the scope of this certification. The certificate is valid from July 2021 to July 2024.

Siemens Gamesa's Integrated Management System provides a framework for overall procedures and tools to monitor, oversee and improve the Company's HSE performance. With respect to health and safety, the Company can demonstrate compliance with our stakeholders' requirements, identify potential hazards and implement controls to reduce or avoid harm, as well as engaging employees and motivating contractors to put safety leadership into practice in their daily work. Nonetheless, the management system, which is comprised of a series of documents and tools, would be ineffective without competent employees and a supportive leadership team that can bring it to life. Key global HSE procedures include:

HSE Aspects Identification procedures, which are able to identify hazards systematically and to assess associated risks within a work activity or workplace to subsequently facilitate the implementation of reasonable control measures with the objective to eliminate or mitigate risks. In addition, it helps Siemens Gamesa to fulfill its legal risk assessment obligations.

Risk Assessment procedures, which provides for systematic hazard identification and the assessment of any associated risks within a work activity or workplace to facilitate the subsequent implementation of reasonable control measures aimed at eliminating or mitigating risks. In addition, it helps Siemens Gamesa to be in a position to fulfill its legal risk assessment obligations.

Incident Management procedure which supports effective incident reporting and management to strengthen risk management and prevent the recurrence of incidents. It allows for a robust framework to be in place by providing a systematic approach to incident reporting, management and investigation, thereby enabling effective corrective, preventive actions to be taken, and lessons to be shared.

Emergency Management procedure which sets the Siemens Gamesa Emergency Management approach by defining a set of aligned escalation phases in connection with the crisis management system. This is coupled with a systematic approach to regaining control in an emergency.

Stop Work Process, which provides a framework for the Technical Safety Committee to ensure that timely effective action can be taken to deal with HSE incidents. It makes cross-business communication possible on actions that need to be taken to maintain safe working environments or ensure the quality of products and their components.

[403-1] Relevant Siemens Gamesa organizational units have a working environment committee that has a chairman, management-level representatives and employee-level representatives. These committees help to monitor and put forward advice on workforce-specific occupational health and safety topics. They also ensure joint participation in the design of policies and the implementation of control measures aimed at improving working conditions.

B.2.6 Health & Safety Targets and Performance

The Siemens Gamesa corporate HSE strategy is set out in a two-year corporate HSE strategy that is then cascaded across the business. Strategic plans are backed by specific action plans, which are reviewed annually and strive to improve HSE performance in all areas of the Company, including corporate, business unit and local level. Each organizational unit is required to set improvement actions covering at least one significant health & safety aspect and one significant environmental aspect.

Strategic corporate HSE targets support the strategy on the topics that have been assessed as significant for Siemens Gamesa as a whole, including total recordable injuries, lost-time injuries, energy consumption, waste generation and sustainability score. These corporate targets are cascaded across the business and monitored locally, along with any additional targets that may be relevant to each location, site or unit.

At Siemens Gamesa, we have defined clear targets to reduce our Lost Time Frequency Rate (LTFR) from 2.2 in FY18 to 1.00 in FY22 and Total Recordable Injury Rate (TRIR) from 6.0 in FY18 to 2.5 in FY22. This represents our ambition to reduce the frequency rate for both targets by more than 50% in 4 years.

Figure 11.- LTIFR target

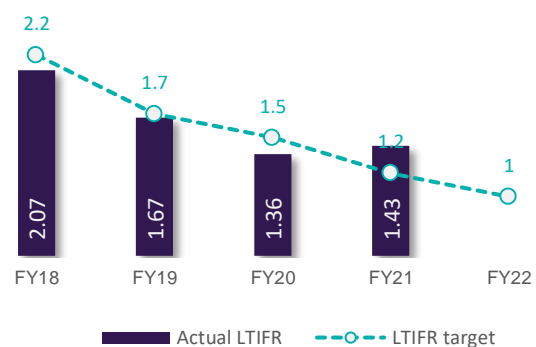
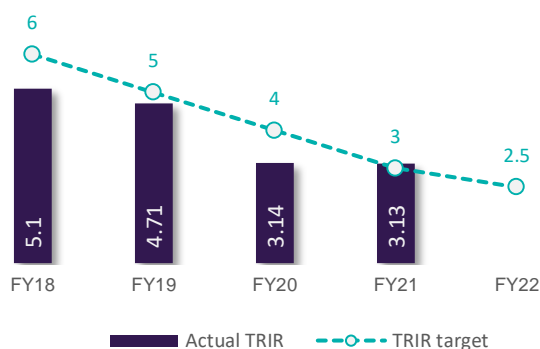


Figure 12.- TRIR target



Sphera, our internal HSE software tool, is the backbone for handling all safety-related data and provides support for:

- Reporting incidents and safety observations.
- Monitoring health and safety data and visualizing them for better analysis.
- Creating workflows where high-risk reports will initiate an investigation and prompt corrective actions and lessons learned.
- Ensuring transparency and opportunities for sharing best practices.

Weekly management reports are submitted, and meetings are held at which selected managers and employees review Siemens Gamesa's safety performance by discussing previous incidents, the lessons learned and corrective actions. Remuneration is also linked to the Company's Health & Safety performance.

B.2.7 Health & Safety in times of COVID-19

Protecting the health and safety of our business, people and stakeholders has been Siemens Gamesa's core strategy as far as the COVID-19 response is concerned. At the onset of the COVID-19 pandemic, protocols were drawn up to respond. Ensuring the continuity of operating wind farms was a primary goal to provide affordable clean energy for vital services, while ensuring that our factories continued to run following local authority regulations. More than half of Siemens Gamesa's employees were able to work from home to minimize the risk of coronavirus exposure. Siemens Gamesa implemented a Prevent, Contain and Sustain methodology.

- In order to **prevent**, Siemens Gamesa established a continuous monitoring system, reduced business travel, deployed a 100% work from home system and developed preventive protocols for various aspects to avoid the spread of COVID-19.
- In order to **contain**, Siemens Gamesa designed a testing strategy that includes PCR and antibody testing. The Company also made sure all protocols are updated to adapt to the evolving situation.
- In order to **sustain**, Siemens Gamesa developed long-term measures, including office reopening protocols, a testing strategy and automated risk control systems.

Some of the outcomes of the stringent health and safety approach include: office staff were able to work from home without any productivity loss, there were no COVID-19 outbreaks in our operations, and ongoing support was provided to suppliers and subcontractors by sharing safety protocols and providing testing support. As a result, our Operation & Maintenance activities continued, and our manufacturing plants continued operating, halting only when required by government. However, there were some delays in construction activities.

B.2.8 Performance in 2021

[L11-HR14] Incident management is governed by a global procedure and internal controls that set forth standard criteria for classifying, recording, notifying, investigating and analyzing incidents in order to: 1) Detect their underlying causes and other factors which may cause or contribute to a recurrence; 2) Identify the need to implement corrective actions; and 3) Detect opportunities for implementing preventive action and continuous improvement.

Regrettably, the Company registered five fatalities during fiscal year 2021. Contractors working for Siemens Gamesa had three fatalities related to electrical incidents, one fatality related to an incident with a service elevator, and one fatality related to a factory under construction. Each of these tragic incidents was subjected to a thorough internal investigation to identify contributing factors. All efforts have been and will continue to be made to ensure that the circumstances which led to each incident do not recur.

During 2021, in the United Kingdom, Siemens Gamesa was fined £533,334, having pleaded guilty at an earlier hearing to a single health & safety charge relating to an incident in November 2017 when a contractor sustained injuries while carrying out activities at its blade factory in Hull. Siemens Gamesa very much regrets that this incident occurred. The Company voluntarily took specific corrective actions. The Company provided edge protection following the incident and, after risk assessing the task, identified a method whereby there is no need to work at height: workers can simply rotate the blade 90 degrees.

In fiscal year 21, Siemens Gamesa registered a total of 132 Lost Time Cases (LTC) (121 in 2020), i.e. a 9% increase year-on-year. As a result, the overall Lost Time Injury Frequency Rate (LTIFR) of Siemens Gamesa reached 1.43 (1.36 in 2020) at the end of the period. The LTIFR is calculated for every million working hours and includes all accidents that result at least in one lost day of work (lost-time incident).

The figure for Total Recordable Injuries (TRI), which totals Fatalities, Lost-Time Cases, Medical Treatments and Restricted Work, amounted to 288 (280 in 2020), an increase of 3%. Consequently, the overall Total Recordable Injury Rate (TRIR) stood at 3.13 at the end of the reporting period (3.14 in 2020). [See Table 33 - Key safety statistics]

[L11-HR11] Absenteeism figures reflect only the number of days lost due to accidents; the figure for FY21 was 1,291 (2,641 in 2020), equivalent to 10,328 working hours (21,128 in FY20). Siemens Gamesa strives to bring the number of occupational injuries down to zero and we are committed to working with all relevant stakeholders to create a safe and healthy working environment for both our employees and contractors.

The Company acts proactively to analyze the causes of accidents and has management indicators that track progress in this connection. For example, in the reporting period, it conducted 44,283 safety inspections (26,059 in 2020), made 100,173 safety observations (60,113 in 2020), and conducted 90 health & safety audits (66 in 2020). [See Table 33 - Key safety statistics]

The occupational illness frequency rate (OIFR) for employees ended the fiscal year at 0.163 (0.379 in 2020), calculated solely based on cases of occupational illness recognized by the Employers' Liability Insurance Association (of which there were 15 in FY21, and 21 in FY20). [See Table 33 - Key safety statistics].

Siemens Gamesa conducts preventive employee health screening and the Company's medical services are responsible for carrying out regular medical check-ups. In general terms, the Company considers that workers are not exposed to occupational illnesses or work-related diseases that could be considered as having a high level of incidence or risk.

B.2.9 Healthy Workplace

Employee health and well-being is a priority, because it is considered a prerequisite for high productivity and innovation. The Company provides employees with:

- Health insurance and healthcare benefits.
- Flexible work arrangements to ensure a work-life balance, such as working from home, flexible time and reduced working hours.
- Policies and guidelines on pregnancy, adoption and parental leave.
- Policies on alcohol and other substance abuse, including smoking.
- Rules and guidelines related to leave and returning to work for employees who undergo a period of absence from work due to illness, accident or for social reasons.
- Free vaccination against influenza.
- Opportunities to donate blood during work hours.

B2.10 Product Health & Safety

[L11-SO08] [416-1] The Company assesses the impacts of its products on the health and safety of its customers from the initial development stages with the aim of improving them through design and project management policies.

This is achieved by describing Product Safety as an umbrella term for the Quality Management and HSE procedures and processes

we have in place to protect customers, employees and members of the public from any risk derived from our products or our manufacturing, installation, operating and decommissioning activities.

Management procedures are in place to establish responsibilities, workflows and activities to ensure that component designs are optimal and that they do not produce unnecessary hazards or endanger the health and safety of those working directly with the component as a result of poor safety design.

For instance, Siemens Gamesa has issued an instruction that defines the processes for ensuring that the wind turbines and/or related products that we place in the market in the EU or EEA (European Economic Area) comply with any Directives which apply inside and outside the EU, where those requirements are established by contractual obligations to customers.

The countries in which Siemens Gamesa operates have enacted a great deal of environmental and labor legislation to ensure any risks to people's health and safety are kept within regulated limits.

B2.11 Health & Safety in the Value Chain

The group is committed to promoting health and safety throughout the value chain and does so in partnership with suppliers, customers, contractors, and national and international associations.

Collaboration with suppliers and contractors is managed through our Supplier Management Process, which involves HSE requirements in both the basic qualification processes and the supplier quality evaluation and development stages. The Supplier Quality Management team recently set up an HSE awareness-raising program which is focused on the health and safety of team members when they visit suppliers and contractors at their facilities or project sites. The program also allows team members to record and monitor HSE performance within the supply chain and identify specific suppliers or contractors that may require additional improvement and/or development programs. The program's mission and goals were specifically designed to:

- Protect the safety of all Siemens Gamesa employees during supplier visits.
- Ensure that our supply chain complies with Siemens Gamesa HSE requirements.
- Continuously improve our suppliers' HSE performance.

To pave the way towards zero harm and support the Supplier Quality Management team with regard to HSE awareness, an HSE contractor management procedure for the execution phase is in the process of being implemented across the business to ensure contracted work tasks are executed safely.

B3. Diversity and Equal Opportunity

B.3.1 Management approach

[L11-HR21] **Siemens Gamesa is a strong advocate for diversity, inclusion and equal opportunities.** Valuing the importance of the individual is one of the cornerstones of our culture.

Promoting diversity, inclusion, equal opportunities and the well-being of our employees is linked to some of the UN's Sustainable Development Goals, namely SDG 03 (Good Health and Well-Being), SDG 04 (Quality Education), SDG 05 (Gender Equality), SDG 08 (Decent Work and Economic Growth) and SDG 16 (Peace and Justice).

The Diversity and Inclusion (D&I) function, led by the Global Head of D&I, is responsible for the governance of Siemens Gamesa's D&I, including global policies, procedures and tools, and for providing the framework to monitor, oversee and improve the Company's performance. The D&I management approach, which is aligned with the Company's strategy and the sustainability strategy, meets the requirements of the Company's Business Code of Conduct, the International Labor Organization's Conventions and other relevant legislation. Furthermore, the Company can demonstrate compliance with our stakeholders' requirements and customers' expectations and engages with employees to embrace diversity and inclusion in their daily work.

The Global Head of D&I is supported by the Diversity and Inclusion (D&I) Governance Board, comprised of senior executives and the representatives of employee resource groups, and by the D&I Regional Councils, which are comprised of engaged employees that support the implementation of the D&I strategy at regional / country level.

We work on global initiatives that focus on promoting diversity, inclusion and equality in the renewable energy industry and in the marketplace and society in general and participate in networks to raise awareness and adopt best practices in our commitment to continuous improvement.

B.3.2 Applicable policies

[L11-HR24] Siemens Gamesa's Diversity & Inclusion Policy²⁵ sets the framework and the principles that are common to all the group's companies. The purpose of this policy is to promote equal opportunity, diversity, inclusion, equality and dignity in the Company's culture and in all the Company's policies and practices related to recruiting, hiring, remuneration, training, promotion and termination.

The right to be treated with respect and dignity

In compliance with the Diversity and Inclusion Policy and with the Business Conduct Guidelines, Siemens Gamesa is committed to fostering a work environment in which all individuals are treated with respect and dignity. Siemens Gamesa's **Protocol of Action in Case of Harassment and Discrimination**²⁶ sets out the Company's policy of zero tolerance towards any form of violence, harassment, verbal abuse, abuse of authority at work, unlawful discrimination or any other behavior that creates an intimidating

environment or is offensive to the rights of employees, and it states that relationships between people in the workplace should be business-like and free of any kind of bias, prejudice and harassment. It establishes the scope, the reporting line and measures in the event of harassment and/or discrimination that should apply in the Company and Siemens Gamesa Group with a view to adopting uniform corporate ethics.

The right to equal opportunities

Non-discrimination and equality of treatment and opportunity in employment are the pillar of a healthy, productive and inclusive corporate culture where everyone feels included and valued. Siemens Gamesa's **Equal Opportunities Procedure** is a formal manifesto that sets out the Company's commitment to fairness and zero tolerance towards direct or indirect discrimination based on any protected characteristic such as to nullify or impair equality of opportunity or treatment in employment or occupation. Siemens Gamesa's aim is that all employment decisions are based on merit and the legitimate business needs of the organization.

Smart Working as the new way of working

Siemens Gamesa's **Smart Working Procedure** sets out an innovative method of organizing and working using information and communication technology that allows employees to perform their duties in an environment other than the official worksite. Smart Working enables employees to work at home, or in a satellite location, for part or all of their working week to better balance professional and personal commitments.

B.3.3 Strategy and Targets

[L11-HR22] Siemens Gamesa's D&I strategy is set for a two-year horizon. Strategic objectives are backed by specific action plans, whose progress is monitored on a regular basis and reviewed annually at a corporate, business unit and local level. The D&I strategy for 2021-22 is built on three pillars: Diversity, Inclusion and Belonging, and Equal Opportunities.

Siemens Gamesa Diversity and Inclusion strategy

Diversity We draw strength from our differences. By embracing diversity across all spectrums, including, but not limited to, gender and gender identity, ethnicity, religion, age, disability, nationality, family or marital status, and sexual orientation, we are a stronger company and culture.

Planned for FY21/22

- Global Diversity & Inclusion (D&I) Advisory Board with Executive Committee representation
- Resources for understanding and promoting LGBTI diversity
- Access to an e-learning platform with D&I material
- Diversity and inclusion dashboard with quarterly updates

Inclusion and Belonging We value openness and tolerance and treat each other with respect and dignity. We aim to actively contribute to a society where everyone feels included and valued. Thus, we are dedicated to fostering an inclusive company culture that welcomes different perspectives and allows for every employee to have a full sense of belonging within our organization.

Planned for FY21/22

- Global Parental Policy with equivalent parental benefits providing equal coverage regardless of sexual orientation and gender identity
- Training on unconscious bias to raise awareness of one's own and others' biases
- Resources for welcoming diverse talent through fair candidate attraction and inclusive recruitment processes: D&I statement for all job offers; upskilling process for hiring managers; guidelines for diverse and inclusive recruitment for headhunters and recruiters. New policy for senior management selection.

Equal opportunities We believe that the future workforce is an equal one that sets bold goals. Siemens Gamesa is committed to equal opportunities for all our employees, regardless of age, gender, nationality, religion, disability, skin color or sexual orientation, because it is the abilities and potential within people themselves that count. Our activities currently focus on a balanced gender ratio, a geographical balance in order to ensure a fair spread of nationalities and smart working opportunities.

Planned for FY21/22

- Gender goals for FY25
- Further development of smart working, digital disconnection and family-friendly policies
- Equal opportunities policy aimed at further increasing the share of women and maintaining a fair spread of nationalities
- Embed D&I into our performance management, development and compensation processes

Figure 13 - Inclusion Strategy

In 2021 we put in place an aspirational target that, by 2025, 25% of our employees and 25% of executives would be women, and a long-term target that female representation in our Company would reach 30% in 2030.

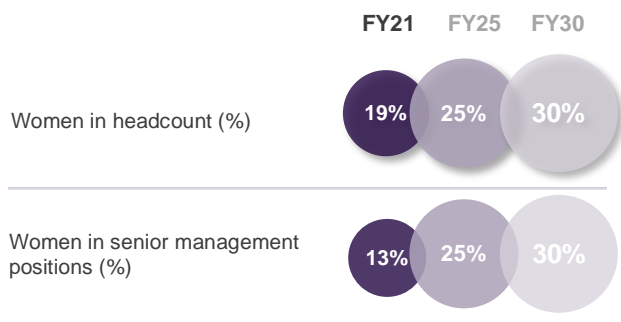


Figure 14 – Diversity & Inclusion targets

B.3.4 Performance in 2021

At Siemens Gamesa, we have always sought to build a culture that is diverse, open and inclusive, where all viewpoints are valued. Diversity enriches our creativity and our culture, and we recognize that we work best when we bring together different viewpoints, backgrounds and experiences.

B.3.4.1 Gender Equality

[405-1] Our commitment to equality extends beyond gender. But, in this specific aspect, our goal is extremely clear: We need to achieve gender equality within our Company.

Regarding gender diversity in the Board of Directors, three members of the Board (i.e. 30%) on September 30, 2021, were women, thereby fulfilling the requirements of the "Director Selection Policy"²⁷.

Women accounted for 19.10% of the entire workforce: 21% of the workforce in Europe, the Middle East and Africa, 19% in the Americas and 13% in Asia & Australia. [See Table 11 - Employee breakdown by gender, region, age structure and professional category]

At the end of the reporting period, Siemens Gamesa had 271 employees (248 in FY20) in senior management positions, 12.92% of whom were women (11.69% in FY20). This rate is expected to grow in accordance with the application of best working practices. [See Table 26 - Employees in management positions]

In terms of STEM job families, women account for 25.14% of the Company's information technology (IT) job family workforce and 12.22% of the Company's engineering job family workforce.

With the purpose of advancing the female participation shown in the charts above, Siemens Gamesa aims to attract more female candidates through the following actions:

- All roles are advertised internally to widen the pool of candidates (confidential exceptions approved by Human Resources Director).
- All our job offers contain a D&I statement regarding our diverse, inclusive and flexible culture.
- Gender-balanced shortlists for all internal and external hiring, where possible.
- In 2021, we produced the first edition of our Diversity and Inclusion Communication Toolkit, which contains gender-sensitive language guidelines.
- We are encouraging the next generation of female talent across our business through networks such as Women@SGRE, an employee resource group which focuses on gender issues and is comprised of more than 550 employees.
- Siemens Gamesa is an official partner to the ACORE Accelerate membership program, designed to provide development and networking opportunities to small, minority, and women-owned businesses.

In addition, we are focused on developing and promoting female employees to be current and future leaders with a variety of programs:

- Mentoring programs that foster career and leadership development. There are 3 different types of mentorship programs to cover a variety of needs: Classic mentorship; Reverse mentorship, where a millennial mentor supports senior profiles in digital transformation and social media; and the Buddy program, where a senior employee supports a new employee during their onboarding in Siemens Gamesa.
- The "Purposeful Leadership: Building a Culture of Trust" program, in partnership with INSEAD, provides four leadership programs from early career leaders all the way up to senior

management. In 2021, 342 leaders participated in these programs, 25% of them women.



Figure 15 - Equal opportunity

B.3.4.2 Inclusive culture

Our workforce is comprised of 106 different nationalities. We recognize and value the creative potential that individuals of different backgrounds and abilities can bring to their work. Thus, we are dedicated to fostering an inclusive corporate culture that welcomes different perspectives and allows for every employee to have a full sense of belonging within our organization.

More than 200 senior leaders have participated in the Inclusive Leadership workshops, at which senior leaders gain self-awareness around D&I issues, and understand how unconscious bias impacts career progression, recruitment, people development, collaboration, innovation, and outcomes. They also experience how individual actions and behaviors can help foster a diverse and inclusive organizational culture.

Siemens Gamesa also aims at being a long-time supporter of our growing LGBTI and Allies @SGRE, an employee resource group comprised of more than 200 employees that focuses on LGTBI people issues. The network has permanent representation on the Company's D&I Governance Board as well as active support from top management.

Siemens Gamesa fosters inclusion through access to **equal parental benefits** that recognize the full spectrum of family diversity of our employees around the world. These benefits include: paid and unpaid parental leave for primary and secondary caregivers who have recently had a child through birth, adoption, surrogacy, foster care or legal guardianship; access to on-site breast-feeding rooms; time off for adoption assistance; child care services, along with a broad range of health services, including company health insurance. Some of our local health insurance arrangements also provide partial coverage for fertility and contraception services.

Given the key role of language in shaping cultural and social attitudes, our **Diversity and Inclusion Communications Toolkit** with inclusive language guidelines is a powerful way to fight stereotypes, prejudices and bias. The toolkit enables our employees to communicate across the business with respect for all colleagues and it sets out principles of sensitive language vis-à-vis gender identity, gender expression, ethnicity, people with disabilities and age groups.

B.3.4.3 Equal opportunities

Equal opportunity is for everyone, but it mainly concerns members of underrepresented groups. The equal opportunities action plan that implements the Equal Opportunities Procedure defines actions in the following priority areas:

a. Gender

The Company is committed to creating opportunities under which women can participate on equal terms, and to actions specifically aimed at increasing women's access to management posts. In our recruitment and promotion processes, we require that, whenever possible, shortlists must offer a satisfactory gender balanced choice of the most suitable candidates. In making appointments to management positions, a gender balanced shortlist is always required and, in principle, where two or more candidates are equally matched in merit and skill, priority is given to women.

b. Ethnicity and nationalities

The Company aims to maintain a broad geographical balance in order to ensure a fair spread of ethnicities and nationalities within the workforce and at all levels of the organization, thereby guaranteeing the cultural wealth and cohesion that different mindsets bring to the Company. The Company does not apply quotas in appointments to management positions, and no posts are reserved for nationals of any specific country, except where specifically required by regulation. Furthermore, the nationality of a departing senior manager may not be a factor in the appointment of their successor.

c. Persons with disabilities

[L11-HR09] The principle of non-discrimination is respected throughout the recruitment process to ensure maximal benefit and equitable opportunities for candidates with and without disabilities. The Company encourages our internal and external hiring managers to collaborate with relevant organizations of persons with disabilities. In considering a candidate with a disability for a specific job, the Company will make adjustments, if required, in the workplace, workstation and work conditions to maximize the ability of this candidate to perform the job.

The average number of people employed by the Siemens Gamesa Group during 2021 with a disability greater than or equal to 33% is 188 (127 in FY 2020). Siemens Gamesa employs 47 persons with disabilities in Germany, 47 in United Kingdom, 23 in Spain, 1 in Morocco, 2 in India and 69 in Americas. Danish law prevents persons with disabilities from being counted separately. These countries accounted for 88% of the total workforce in fiscal year 2021.

[L11-HR20] [L11-HR23] The Company complies with all relevant local regulations regarding accessibility for employees with disabilities, and all necessary adjustments are managed on a location basis. In countries with very specific regulations in this connection, such as Canada, the company has established internal access control procedures for people with disabilities.

d. Age discrimination

The Company promotes inclusive recruitment practices and awareness-raising to break down unconscious bias and stereotypes against younger and older job applicants.

e. Employees with family responsibilities

Since 2019, the Company has focused on embedding Smart Working by ensuring that suitable employees are able to work in a way that enables them to balance a successful career with commitments outside of work. This new flexible way of working at Siemens Gamesa enables our staff with family responsibilities to better balance professional and family commitments and, consequently, to engage and advance in employment on equal terms. The Company continues developing family-friendly policies, increasing parental leave and encouraging the use of shared parental leave, therefore reducing structural disadvantages that employees with family responsibilities may face.

f. Equal pay for equal work

The Company is committed to the application of the equal pay principle through pay transparency and improved enforcement mechanisms. The Company conducts regular pay equity reviews to identify differences in pay and discloses statistics on the gender pay gap. Promotions are based on merit, and particular attention is given to ensuring that the salaries of women and under-represented groups are commensurate with their responsibilities, qualifications, and levels of performance and that these salaries are equitably comparable to the salaries of other similarly qualified employees in their organizational units with comparable positions.

B.3.4.4. Gender pay gap and pay equality

[L11-HR05] [L11-HR06] [405-2] Gender pay gap and equal pay are different concepts. Gender pay gap measures the pay gap between women and men regardless of the nature of their work and it reveals if there are barriers to women progressing to more senior or higher paid roles. Equal pay, on the other hand, refers to men and women receiving equal pay for equal work.

At group level, there are no significant differences in average pay between men and women.

The analysis shows that the few cases with large differences are influenced by the different distribution of women and men in professional categories. [See Table 30 – Average remuneration by gender, age groups and professional category]

The Siemens Gamesa gender pay gap is calculated for significant locations. The cases with a significant gap are influenced by the higher concentration of women in a given professional category and their lower representation in the highest level (executive) and the lowest level (operational). In addition to these factors, traditionally there has been a smaller presence of women in the

energy sector, which is accentuated in management and technical positions. This is exacerbated by the scarcity of women in STEM careers.

We continue working to address this imbalance:

- Since 2019, we have focused on embedding smart working — allowing employees to work at home or in a satellite location for part or all of their working week — to balance a successful career with commitments outside of work. Digital disconnection practices and family-friendly policies are also key drivers of this new way of working.
- In 2021, we made significant progress in developing inclusive recruitment practices in order to encourage female applications and to increase the number of women eligible for promotion.
- We rely heavily on recruiting skilled people from STEM backgrounds (science, technology, engineering and maths). We continue our efforts to improve our industry's appeal to women through education initiatives, which include programs for inspiring young women.
- Throughout 2021, we put a lot of effort across Siemens Gamesa into building a more inclusive, gender-balanced workplace. We have led a variety of activities to positively impact and inspire female employees. We know there's still a long way to go, but we're working hard.

B.3.4.5 Creating the work environment of the future

[L11-HR08] As the impacts of the COVID-19 pandemic evolve, so do the business and economic challenges. There are signs that life can start to return to normal. But that does not mean things will be the same as they were.

The new 'normal' taking shape is complex, uncertain, and challenging. It requires navigating rapid shifts in cultural norms, values and behaviors. It brings new challenges in the form of employee protection from a Health & Safety perspective and pushes for flexible/smart working and for greater work/life balance and job satisfaction.

[L11-HR12] The new way of working at Siemens Gamesa — **Smart Working** — is a business philosophy and a commitment to openness, collaboration and trust. It is our starting point for state-of-the-art leadership, seeking trust, community, safety, fairness, and sustainability in the workplace and the benefits of work-life balance.

As of September 2021, there are 16,371 employees (63% of the total workforce) potentially eligible for Smart Working, provided they request this program and meet the eligibility criteria.

While there are benefits to be gained from this flexible approach to work, the risk exists of blurring the boundaries between work time and private time. The Company therefore encourages workers to disconnect through the **Siemens Gamesa Right to Disconnect Global Guidelines**. The right to disconnect refers to the right of employees to disconnect from their work and feel that they do not have to answer any work-related emails, calls or messages outside normal working hours. These guidelines set out some best practices in four areas, namely: effective email management, disconnecting intentionally and regularly and being respectful of other people's time.

The Smart Working framework will be implemented on a country-by-country basis depending on the pandemic situation and on when Health & Safety protocols allow us to return to the office normally.

B.3.4.6 Celebrating Diversity & Inclusion

At Siemens Gamesa we have set aside eight International Days and Weeks in our calendar to promote our diverse and inclusive culture through awareness raising and actions.

- International Day of Women and Girls in Science.
- Zero Discrimination Day.
- International Women's Day.
- International Day for the Elimination of Racial Discrimination.
- International Day against Homophobia.
- LGBTI+ Pride.
- International Day of Persons with Disabilities.
- International Day for Tolerance.

At Siemens Gamesa, we also celebrate a number of cultural holidays during the year: Chinese New Year, Passover, Easter, Eid al-Fitr, Ramadan, Eid al-Adha, and Christmas.

The Company prepares special communication campaigns, holds topic-related events and shares specific resources with employees on those occasions.

B.3.5 Endorsement to International Standards

The global renewable energy industry is growing at a faster rate than ever, creating more and more jobs throughout its supply chain that require a diverse range of skills and experiences. We are aware that we have a long road ahead of us to become the diverse leader we want to be.

Yet, as a global company, we will continue to adhere to international standards to show our commitment to going the extra mile in becoming the diverse and inclusive leader to which we aspire.

- The **Women's Empowerment Principles (WEPs)**²⁸ were endorsed by the Company in 2010 and the endorsement has been maintained by the merged Company. These principles offer guidance to business on how to promote gender equality and women's empowerment in the workplace, marketplace and community.
- Siemens Gamesa participated in the first round of the **Target Gender Equality (TGE) program**²⁹, a gender equality accelerator program for signatories of the United Nations Global Compact. Through facilitated performance analysis, capacity building workshops, peer-to-peer learning and multi-

stakeholder dialogue at the country-level, Target Gender Equality supports companies in setting and reaching ambitious corporate targets for women's representation and leadership. By joining, Siemens Gamesa undertakes to set and meet ambitious goals to increase women's leadership in line with goal 5.5 of the United Nations' Sustainable Development Agenda 2030.

- Siemens Gamesa is an official partner of the **ACORE**³⁰ **Accelerate membership program**, designed to provide development and networking opportunities to small, minority, and women-owned businesses.
- Additionally, Siemens Gamesa renewed its commitment to the **Spanish Diversity Charter**³¹ for the period 2020 – 2022. Since 2014, Siemens Gamesa has been an official member of the Spanish Diversity Charter, an initiative by the European Commission to foster diversity and inclusion as well as to develop and implement related policies.
- Siemens Gamesa has signed the **Telework and Flexibility Charter**³² promoted by Fundación Más Familia in cooperation with the Spanish government's Ministry of Social Rights and 2030 Agenda. This charter is a letter of commitment that companies sign voluntarily to promote a clear commitment to the culture of work flexibility and teleworking, respect for the environment, diversity and inclusion, thereby recognizing and raising awareness about the benefits gained from a flexible culture.
- By joining the **Business Network for LGBTI Diversity and Inclusion (REDI)**³³, Siemens Gamesa is one of the 100 companies committed to promoting an inclusive and respectful atmosphere regarding LGBTI people.

Siemens Gamesa has been recognized for its efforts in the area of diversity, inclusion and equality

- For the second consecutive year, Siemens Gamesa was included in the **Bloomberg Gender-Equality Index (GEI) 2021**³⁴, scoring 74.57% (up 6 points from 2019). The index brings transparency to gender-related practices and policies at listed companies by increasing the breadth of environmental, social, governance (ESG) data available to investors.
- The **Network of Companies committed to Diversity and Inclusion (ECDI)**³⁵ promoted by Intrama included Siemens Gamesa in the Variable D21 Report "TOP30 Spanish Companies with best practices in Diversity and Inclusion" and recognized the company's good practices in diversity and inclusion.

B4. Labor Relations

B4.1 Management Approach

[L11-HR15] [L11-S12] The Siemens Gamesa Group fosters relations with labor representatives based on trust, transparency and negotiation in good faith. Labor relations are grounded in three basic areas:

- The laws of each of the countries where the Company is present.
- Membership of SE EWC. A Special Negotiation Body was elected in late 2020 to define and approve the "Siemens Energy European Works Council Agreement" as the basis for the Siemens Energy European Works Council (SE EWC) at group level. At the level of the individual countries, employees and/or their representatives will continue to be informed and consulted in accordance with national practices. Domestic representatives will be included in existing information and consultation structures to discuss operating-group-specific issues. Siemens Gamesa will take part in the annual meeting and take the floor, reporting on all points subject to consultation and information in accordance with that Committee's regulations.
- Siemens Gamesa internal working group. This working group is comprised of workers' representatives from the main European countries. The purpose of this group is to share and assess all matters of general interest to Siemens Gamesa as a whole.

B4.2 Operating Framework

[L11-HR16] [102-41] The group promotes and implements workers' right to freedom of association, union membership and the effective right to collective bargaining. The importance of this fundamental labor right is set out in the Business Conduct Guidelines (BCGs). Accordingly, the Company has fully replaced the Global Framework Agreement³⁶ (GFA) on social, labor and environmental matters that was reached prior to the merger by legacy Gamesa with IndustriALL Global Union (with the involvement of the main Spanish unions) with a completely renewed and upgraded GFA between Siemens Gamesa and IndustriALL Global Union, still the only global agreement to guarantee labor rights by a company in the renewable energy sector. **The new GFA includes some important improvements on the original agreement signed with Gamesa in 2015, including:**

- Respect for the new ILO Convention 190 on violence and harassment at work.
- A commitment to favor direct employment on the basis of permanent work contracts.
- Support for the principle of a Just Transition towards environmentally sustainable economies and companies in line with ILO guidelines.
- Ensuring life-long learning and training programs for employees.

- Stronger demands on suppliers and contractors with regard to the rights of workers in their supply chain, particularly concerning health and safety.
- A plan for due diligence based on OECD recommendations.

[L11-HR17] [L11-S14] The Global Framework Agreement strengthens social, labor and environmental rights already contained in the Business Conduct Guidelines; makes health and safety at work, working conditions and equal opportunities key issues for Company action; and guarantees implementation and promotes the conditions for a social dialogue at the international level. As stated in the Business Conduct Guidelines, Siemens Gamesa is a member of the UN Global Compact, whose ten Principles, and the Global Industrial Union Framework Agreement, are binding on the Company.

That means that 100% of Siemens Gamesa employees are actively covered by a legally binding, freely negotiated collective agreement. [102-41]

At an international level and due to its European footprint, Siemens Gamesa forms part of the Siemens Energy European Works Council (SG EWC), set up on September 22, 2021. Siemens Gamesa will play an active role in the SG EWC with 7 SGRE representatives out of the 28 total members. The EWCs have significant rights to information and consultation on all matters affecting community-scale groups of companies or companies with at least two establishments in different Member States. There is an additional internal working group with representatives of all countries where SGRE has over 100 employees that provides a more flexible forum to discuss labor relations of greater proximity.

Locally, labor relations between the group and its employees are regulated by the laws of each country and pacts and agreements are reached with the workers' representatives.

At a national level, the situation is not fully uniform due to the large number of countries and the practical differences between them. A total of 54% of employees are covered by collective bargaining agreements at a local level. The picture therefore remains diverse and depends on each country's laws and legal practices. The Company operates in countries where union representation is extensive (Denmark, Spain, Germany, France, Italy, Brazil and the UK), but also in other countries where, even when there is no internal union representation, we are in contact with local and national unions to fulfill and abide by any local or national collective agreements (China).

Regarding collective agreements, there is a wide variety of situations: collective agreements limited to a specific workplace, local agreements with provincial or regional scope, and country agreements that are negotiated either internally and externally. Examples include:

- In Spain, there is an extensive overall collective agreement signed with our internal unions covering all employees working at headquarters and many other specific local agreements signed by regional/national unions depending on where the sites are located.

- In Denmark, all our employees are covered by enterprise agreements with national unions, as we are a member of Confederation of Danish Industry.
- In China, employees at our Lingang plant and, since 2021, also our employees in Shanghai are covered by a collective agreement signed between our Company and the local city government.

[L11-S13] [402-1] Concerning the minimum prior notice period for operational changes, the Group fulfills at least the notice periods set forth in each country's specific legislation, as well as in European Union regulations. However, if there are no regulatory requirements, Siemens Gamesa ensures that its employees are suitably informed of any significant operational changes affecting them in accordance with the Company's standards.

Proof of that can be seen in the ON restructuring process in 2021, in which a global information campaign was put into effect. Since the SE EWC is still being formed, it first involved the Siemens Gamesa working group and then reached every single country concerned. Specific lay-off plans have always been designed and implemented within the framework of any agreements reached with the relevant employees' representatives.

B4.3 Highlights 2021

Siemens Gamesa needs to constantly adapt to the challenging wind industry market, which is characterized by stiff competition and significant pricing pressures that have eroded wind turbine manufacturers' margins. Our financial performance during FY20, when Siemens Gamesa reported a net loss of €918 million³⁷, made it necessary to take appropriate actions to protect the long-term interests of the company and its thousands of employees around the world.

Actions undertaken include a restructuring in India, the adjustment of the manufacturing footprint to current demand in Europe and the reorganization of the Onshore structure to better match the current strategy of prioritizing profitability over volume and of increasing efficiency.

In India, given structural market challenges, the restructuring involved implementing a new de-risked business model, introducing the new SG 3.4-145 and dimensioning operations to a lower volume scenario.

The Halol plant had already been closed as agreed and SG 2.2 - 122 blade production moved to the external supplier LM Wind

Power to meet volume commitments and implement a turn-around. According to this restructuring plan, 350 employees left the Company, c. 50% through natural attrition or relocation.

In Europe, adapting the manufacturing footprint to the current demand triggered the closure of our factories at Somozas and Cuenca in Spain. The Somozas plant had no confirmed orders in Spain or the SE&A region, including Spain, for the SG 2.X-114 for which it manufactures blades, and it is not competitive to produce the larger blades the market demands, apart from site and logistical constraints. The Cuenca plant, which focused exclusively on blade repair, was not competitive, and the market is moving gradually towards replacing rather than repairing blades. Besides, the plant was not sustainable in the long term due to site constraints to accommodate large blades.

The Company initiated two collective layoff procedures to cover closure of the two Spanish plants, impacting up to 266 employees. A majority of the Siemens Gamesa Cuenca and Somozas workforce voted in favor of the layoff plans submitted by the Company for the plants' closure, which included measures to limit the closures' impact. The agreements included an early retirement plan for employees aged 55 or over, and a severance payment of 45 days' pay per year worked (above the 20 days' pay required by law). A minimum compensation payment of €30,000 was been agreed. In addition, the Company submitted an internal relocation plan offering up to 157 vacancies to 256 concerned employees for a range of job profiles in Spain and Portugal. Siemens Gamesa also engaged an external outplacement firm that has already located job vacancies at other companies for which the Cuenca and Somozas employees can apply.

As part of the Onshore reorganization, the central CRO (Chief Regions Office) organization was removed and the region heads now report directly to the Onshore CEO; and two new lean global functions — Global Sales and Global Project Management — were established to ensure that Onshore operates and is governed by coherent and aligned processes and practices. As part of the regional reorganization, the LATAM region was integrated into the SE&A region to create the SE&A&L region, enabling synergies and cost savings.

All these measures resulted in a global headcount adjustment of up to 250 across all regions. The Company has worked to minimize the impact of this decision through measures such as natural attrition (34 employees), early retirement (2 employees) and relocation (78 employees). Pending exits (88) are being discussed locally with the same purpose of minimizing the impact.

B5. Talent Management and Learning

Talent Management

B5.1 Management Approach

[L11-S15] [404-2] Siemens Gamesa has developed an Employee Experience based on building blocks that put employees at the heart of their own career development by means of a strong performance cycle (FLOW), a consistent talent development path (LEAD), a meaningful learning experience, and a set of global tools which are available to all employees.

B5.2 Performance Philosophy (FLOW)

Siemens Gamesa's performance appraisal cycle creates an adaptable framework in line with our Culture of Trust to deal with dynamic market conditions. Performance aims to improve both the Company and individual output. This process ensures that all employees are clear about what is expected from them and that they receive constant feedback about how they are performing. Performance management is part of the managerial toolkit needed to lead teams.



Figure 16. Performance management cycle

B5.3 Talent Management (LEAD)

The purpose of Talent Management LEAD is to create a culture focused on personal and professional development. It aims to get managers involved in the growth of their teams and to improve the visibility of Siemens Gamesa's talent pipeline. It also creates a talent management experience that brings us one step closer to becoming a talent-driven organization.

Talent LEAD includes several interconnected talent-related processes which, together with our LEAP Business program, place the right kind of talent in the right positions.



Figure 17. Talent development scheme

B5.4 Leadership Ecosystem

The Leadership Ecosystem interconnects all the initiatives in this connection and offers each manager a personalized path. The Ecosystem is based on a modular approach, in which different elements can be used by leaders depending on their needs. The ecosystem is composed of the following elements:



Figure 18. Leadership ecosystem

- **Framework:** A unique place where managers can easily find all the foundational elements, including: i) Mission, Vision and Values, ii) LEAP, iii) Culture of Trust, iv) Leadership Booklet, and v) Leadership Competency Model.
- **Leadership programs:** We have partnered with INSEAD business school to create 4 programs adapted to the different needs of the leaders: i) Leading at the Peak (LatP), ii) Amplifying Organizational Impact (AOI), iii) Maximizing your Leadership Potential (MyLP), and iv) Emerging Leaders (EL).
- **Leadership Community:** Enhancing the spaces where leaders can exchange and learn together at the same level and also interact with senior levels of the organization and experts. The community must be sustainable and, therefore, is owned by the leadership community, with facilitation and support from HR and Communication.
- **Individual Development Plans:** As part of the Talent LEAD experience, managers need to focus their Individual Development Plans for leadership growth. In the Individual Development Program (IDP), the leader creates the map using the elements of the ecosystem, based on strengths and weaknesses, to achieve the required leadership development.
- **Inspiring Leadership:** A library in our Talent & Leadership intranet site that contains a range of topics related to leadership and communication, with biweekly circulation of inspirational materials to all managers.
- **Leadership toolkits:** To provide managers with an adaptable framework to easily create experiences in their teams. It helps us create one identity across the organization, making sure all

leaders understand key strategic initiatives and can cascade down to all the organization (Foundations, Culture, Innovation, Calibration, On-the-job development opportunities, etc.).

- **Employee Engagement Action Plans:** Once leaders receive feedback from their employees through the Engagement Survey, it is time to design the future of the Company and create an even better place to work. Sharing the results of the survey with their teams is a great opportunity to bring Siemens Gamesa values to life. The manager starts a dialogue around the main topics and creates a shared action plan for the team.
- **Develop others:** We expect our leaders to participate in development opportunities for other employees. Leaders are key to making the development framework sustainable and, therefore, the Company encourages them to be available for mentorship relations in the Company, identify shadowing or job rotation opportunities, and make projects available for intra-Company development and talent exchange.
- **Gather feedback:** In addition to the Employee Engagement Survey, we have implemented two other ways of gathering feedback for leaders. Feedback is the cornerstone of our development framework and we want to make sure it is available to leaders. The 360° tool is available at any time of the year and is included in other elements of the ecosystem such as the leadership programs. We have also developed an upward feedback program internally, where teams can have a feedback session with their manager that is facilitated by HR business partners.

B5.5 Global Tools

A set of global tools is available to all employees across the globe. Siemens Gamesa ensures access to these global tools by providing transparent global processes designed at a corporate level and further developed by the Human Resources community.

Mentoring Program

To foster career development and leadership development, the program offers three options: i) Participation in Leadership Programs, ii) Ad hoc mentoring programs, and iii) Mentoring Public Marketplace: any employee in Siemens Gamesa can decide to include a mentoring relationship in their IDP.

360° Feedback

This is a development enabling system that gathers feedback on an individual from several sources, usually managers, colleagues and direct reports. Other groups can be used to include internal or external customers or any other group that is relevant to understanding the employee's strengths & development areas.

Upward Feedback

Siemens Gamesa wants to create high-performing teams that resolve conflicts easily, are aligned and in full cooperation mode. Upward Feedback seeks to enhance team feedback for managers by creating an action plan for team growth. In Upward Feedback sessions, facilitated by an HR Business Partner, the whole team reflects on the manager's strengths and areas of development and shares feedback in order to create an action plan for the whole team that improves efficiency and performance.

Learning and Training

B5.6 Management Approach

[L11-HR18] Today's fast-changing competitive business environment and the increasingly complex labor market conditions mean that Siemens Gamesa's ability to develop employees and accelerate the development of new business-critical skills is more crucial than ever. This calls for a paradigm shift in the way it approaches learning. Our mission is to support short-term performance and build up long-term capabilities. Wind University's³⁸ learning services underpin the entire organization. Learning is everywhere and forms part of Siemens Gamesa's values. Wind University provides support through consultancy services, tools and the delivery of a variety of activities across the business.

B5.7 Learning Principles

We have defined a set of principles that apply before commencing any learning activity. These are: i) Ownership culture; ii) Easy access to learning activities and training; iii) Culture of Trust, and iv) Planning and booking of learning activities.

B5.8 Learning Landscape

Nothing beats the new digital technologies for speed. We have invested in new learning platforms to support a OneSGRE experience. With the new learning platform solution, we will be able to grow community-based learning and gain in speed and availability for Siemens Gamesa-specific learning activities that can support our employees' performance.

Siemens Gamesa Product Learning

Product Learning embraces specific learning about processes, tools and products to ensure operational excellence (e.g. training in compliance, Siemens Gamesa turbine-specific training, training in Product-Development-Process, tools used in Siemens Gamesa, and others).

Qualification Management is a specific methodology used when training requirements are not to be defined and tracked on an individual level and it allows management functions to define and track the requirements in a standardized way, complying with ISO standards.

Standard Learning

Standard Learning covers all non-Siemens Gamesa specific learning. Standard Learning addresses cross-functional training needs and personal skills needed for an employee to perform their job. Standard Learning imparts skills and capabilities that are important for performance in the targeted job role and are relevant across Siemens Gamesa.

B5.9 Performance 2021 and Roadmap to 2023. Strategic Learning Initiatives

As a result of the Covid-19 pandemic, we have seen an even greater need for training and learning among our employees. Also, OneSGRE calls for more learning of uniform processes and systems.

Siemens Gamesa Learning 2.0 aspires to make learning a competitive advantage by putting learners in the driver's seat and providing them with a user-centric learning universe, which enables them to acquire new skills with speed and ease. In fact, continuous learning is an integral part of the Company's strategy.

Siemens Gamesa Learning 2.0 is focusing on learning technologies and it has provided positive results over the last year. We have chosen the right path to create continuous, highly engaging learning experiences, which enable learners to build new skills in the workflow and to gain fast and easy access to learning.

Siemens Gamesa already has a strong learning culture embedded in the organization, with more than 600 internal trainers that volunteer to train peers, so the foundation and learning culture are already strongly embedded. To ensure efficient, cost-effective and strategically aligned learning practices across the entire organization, Wind University has established a global network for teaching professionals. Here we communicate, define needs and set clear guidelines for governance and resources.

The Learning model is based on the 70:20:10 model, with a massive internal learning portfolio covering the entire Siemens Gamesa value chain, designed and delivered by internal trainers to their peers. The internal specific learning catalogue (Siemens Gamesa internal process, tool and product knowledge) is delivered mainly by means of conventional face-to-face classroom training, using the Siemens Gamesa SME (Subject Matter Expert) as classroom trainers; however, online delivery has increased by 60% in the past year. The upswing was already visible in FY20, and the trend continued in FY21.

Focus on digitalization

To achieve digitalization in learning, Siemens Gamesa organized several strategic initiatives in FY21 that can be clustered as follows:

- Implementation of a new digital platform for delivery of product learning.
- Creation of digital resources and running digital classroom delivery for our internal trainers.
- Contract signed with global digital standard learning provider.
- 3D scans of nacelles for training and surveillance purposes.

Global Learning Frameworks

Through Global Programs, Siemens Gamesa has been able to strategically deploy global learning framework for groups of employees. The Global Programs support the defined core processes of the Company. This drives the strategic direction for learning within the business area and supports harmonization of processes. Board and business agree on the need for setting learning targets as well as for deployment of new methods and tools.

Among the highlights:

- **Globalization and digitalization** of learning programs, with a significant increase in participation. Strong focus on support for the internal trainers and SME/Key Users to produce impactful digital learning bites.
- **SAP AGORA:** Full digital deployment of a new digital platform, with learning plans, learning bites, navigation notes and distance learning. Key users are trained virtually, and end users have on-demand access to videos explaining processes and functions.
- **Sales Global Learning Program:** Further focus on globalization and digitalization, with a 135% increase in the number of people trained in our sales program.
- **Project Management Global Learning Program.**
- **Technology Global Learning Program:** further globalization and digitalization of TE program, with transformation of courses to a digital format (ensures global availability and the same development opportunities for all TE locations). Trainee numbers increased by 55%. A Technology Digital Learning bites library was produced with more than 35 learning bites available for all TE employees. A global learning path for safety in design was created for all electrical and mechanical design engineers to improve understanding of design responsibilities in SGRE.
- **Training on job trainers:** Training with industry (**TWI**) **method** is ongoing proving its worth, since we can document the learning impact related to safety or quality.
- **Other areas:** Integration of Servnion: 5 mandatory e-learning packages rolled out to all Servnion employees and language training given to around 400 employees to ensure appropriate onboarding.

Global e-learning campaigns to ensure compliance and global mindset

During FY21, we launched one global e-learning module for all employees, which led to 5 mandatory e-learning for all employees in Siemens Gamesa.

- Business Conduct Guidelines.
- Export Control & Customs.
- Protecting our Personal Data.
- Global Health, Safety and Environment Awareness.
- Information & Cyber Security.

Global Qualification Management

Qualification Management to track mandatory training requirements both on-site and at production facilities continued to be deployed in 2021. Consequently, the backgrounds of the employees present at any construction or service site anywhere in the world are available for consultation. The Company account stores the required certificates and provides a standardized safety overview of the qualifications held by both internal and external employees. Work is currently being done to upgrade the reports and enhance features to allow for employee development tracking. In 2021, we added some white-collar roles.

Learning in numbers

[L11-HR19] The Company logged 554,870 training hours in FY21 (839,950 hours in FY20). The reason for the decrease is that In FY21, only the data registered in our two global learning tools have been considered, dismissing the external training data that lacked from adequate traceability and that were included in previous years.

Virtual training delivery increased the participation rate in fiscal year 2021 and the number of training sessions also increased with respect to FY20. [\[See Table 20 - Employee training hours by professional category\]](#); [\[See Table 21 - Training hours based on learning category\]](#)

In FY21 there was an increase in the number of training sessions delivered both virtually and face-to-face. A large amount of delivered sessions come from the SAP Agora project, where key users are trained in new processes. [\[See Table 22 - Training hours based on delivery type in fiscal year 2021\]](#); [\[See Table 23 - Number of virtual/face to face sessions\]](#);

B6. Compensation & Benefits

Benefit Programs

B6.1 Management Approach

[401-2] [401-3] The Siemens Gamesa Global Benefits Policy is aimed at supporting Siemens Gamesa's purpose of empowering people to lead the future. It is aligned with the Company's values: Results Orientation, Customer Focus and Inventiveness, Impactful Leadership, Attitude of Ownership, and Valuing People.

Siemens Gamesa ensures that all countries have an individual benefit offering which is in line with local market conditions. The benefits include insurance policies, pensions and fringe benefits. Insurable benefits are managed through a global external vendor to ensure we are aligned with the market median and achieve proper governance and competitive rates. To attract and retain talent, benefits are reviewed regularly to adapt to market trends.

B6.2 Policy Framework

[201-3] Benefits round out an individuals' compensation to offer an attractive and competitive compensation and benefits package:

- Offer global consistency with local relevance and local implementation responsibility: Benefits are local and are dependent on country regulations and general market practice.
- Benefits ensure our appeal as an employer.
- Employee benefits can increase the level of dedication and enthusiasm.
- Benefits comply with the 'Duty of Protection': Protecting employees against the consequences of an adverse event that might cause economic impairment to them or their dependents.
- Benefits are aligned with the corporate culture.

Benefits are indirect non-cash compensation offered to employees. All benefits are set according to mandatory local market regulations or median market practices. The scope of the benefits we offer varies across countries and depends strongly on local social security and tax regulations. They may include: i) Post-employment benefits; ii) Life and disability insurance; iii) Accident insurance; iv) Health insurance; and v) Business travel assistance insurance. Other benefits include transport allowances, time off/vacation, work/life balance measures, awards, perquisites and social security.

B6.3 Strategy and Targets

The benefits policy ensures Siemens Gamesa employees are protected against the risks associated with health, death in service and retirement planning. The benefits package is a part of the Total Remuneration (TR) package. All benefits are defined according to mandatory local market regulations or median market practice.

B6.4 Highlights 2021

Defined Contribution (DC) schemes are becoming increasingly prevalent at Siemens Gamesa. DC pension schemes enable employees to manage risks appropriately and provide them with a capital sum that can be converted into a relatively stable income flow during retirement. The amount recognized as expense for defined contribution plans amounted to €57 million in FY21 (€55 million in FY20): €34.4 million in Denmark, €8.5 million in United States of America, €0.5 million in Canada, and €1.7 million in Germany. Contributions to state plans amounted to €123 million in FY21 (€120 million in FY20).

We are currently offering 22 defined benefit plans for approximately 6,100 participants in the following countries: Austria, Belgium, Croatia, Czech Republic, Egypt, France, Germany, Greece, Hungary, India, Iran, Italy, Philippines, Poland, Thailand, Turkey, and USA.

B6.5 Employee Share Plans

At Siemens Gamesa we believe in the Company's long-term prospects and recognize that our employees are a key driver of its success. In order to allow every employee to feel part and take ownership of OneSGRE, Siemens Gamesa offers shares under special conditions to reward long-term commitment and create a sense of ownership, both of which are vital to ensuring the Company's sustainable future.

The voluntary share plans include:

- "Your recognition shares" Shared-based Recognition Program, an instrument to reward outstanding performance by giving stock awards to 100 selected employees all around the world. The final list of participants is approved by the CEO.
- "3-2-1, Let's share!" Employee Share Program (ESP Plan), where participants' investment is rewarded with free shares ("for every 3 shares, after 2 years, you get 1 free"). It is being implemented gradually on a country-by-country basis with the aim of covering most of the Siemens Gamesa population. The Plan was successfully launched in January 2021 in Brazil, Denmark, Egypt, France, Germany, India, Ireland, Spain, Taiwan and UK. More than 4,000 employees participated in the program, with a high participation rate (21%). The Shared-based Recognition Program and the Employee Share Program will be repeated in 2022 and rolled out to more countries.

Compensation

B6.6 Management Approach

A fair, competitive compensation and benefits package is offered to attract and retain the Siemens Gamesa workforce so that it can shape the renewable energy industry, based on a commitment to diversity, inclusion and employee well-being. Employees are our most valuable asset. We operate under the principle of equal opportunities by avoiding any kind of discrimination and ensuring fulfillment of the applicable labor legislation in every country where the Company has a presence.

B6.7 Policy Framework

Cash compensation is one of the four central elements of the Siemens Gamesa Total Rewards Framework. The cash component consists of base salary and variable pay. Base salary and variable pay together make up the Total Target Cash. The Total Target Cash may be increased on a yearly basis subject to the compensation review process. This procedure is intended to address:

- Regular salary increases for performance in line with expectations.
- Extraordinary merit salary increases for outstanding performance.
- Market and equity adjustments.

Salary bands per grade profile are set for each country. These bands include base salary and country target percentages per grade profile. The variable target percentages are mandatorily applied to all new hires. Those percentages must also be harmonized over time for existing employees based on the yearly merit increases or when they change positions.

- **Base salary** is defined according to local market practices. We target a base salary around the market median. Base pay is considered to cover family spending and normal living standards. Additional allowances can be paid based on market practice.
- **Variable Pay** is defined as a target percentage of base salary. This percentage of the base salary is paid as an annual incentive if the Company and individual targets are reached. The targets are set in a yearly guideline that is mandatorily applicable to all eligible employees.

B6.8 Strategy & Targets

At Siemens Gamesa we pay for performance. The compensation package is aligned with the market median. Our salaries are benchmarked against relevant market data from leading market data providers. Salary bands are defined centrally for 16 levels below senior management positions. The salary bands offer enough flexibility to account for candidates' different levels of expertise and effectiveness.

B6.9 Performance 2021

Variable Pay: SGMBO

Siemens Gamesa Management by Objectives (SGMBO) is the procedure to set targets for employees. It is designed to reward Company and individual performance based on the variable portion of the compensation package and is paid as an annual incentive. Eligibility depends on local market practice. About 47% of the workforce (43% in FY20) has a short-term incentive program.

The SGMBO target structure includes Company targets as well as Individual targets; consequently, the payout depends on the respective achievements. In general, the final target achievements apply to the individually agreed SGMBO target percentage, which is paid according to local rules.

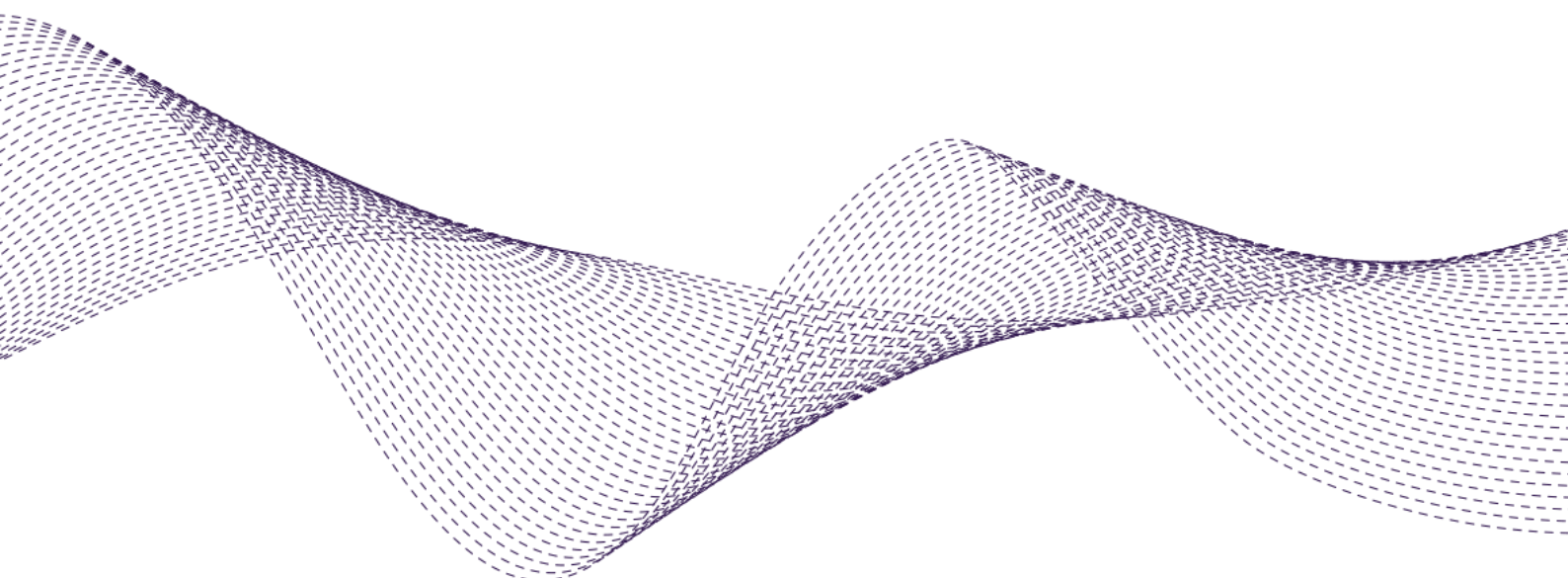
To support the merger process, the globally applicable target structure for the short-term incentive is composed of 70% overall Siemens Gamesa key performance indicators and 30% individual evaluation.

Long-term Incentive

Siemens Gamesa Long-term Incentive (LTI) plans aim at boosting the motivation of its management, attracting and retaining talent and fostering an ownership culture aligned with the Compensation and Benefits Value Proposition, while enhancing long-term business performance. The plans are addressed to persons who, due to their level of responsibility or their position in the Group, contribute decisively to achieving the Company's objectives. In particular in addition to the CEO, who is a Beneficiary, the Board, at the proposal of the A&R Committee for the Top management, and of the CEO for the rest of the Beneficiaries designate individuals as Plan Beneficiaries. LTI is in line with the market and its main objective is to enhance business outcomes. Therefore, it reflects external market developments and strategic Company priorities by considering specific performance indicators.

The Plan is a long-term incentive under which the beneficiaries have the opportunity of receiving a certain number of ordinary shares of the Company after a three-year period, provided specific performance criteria are met. The full text of the long-term incentive scheme is contained in Resolution 7 approved at the 2021 Annual General Meeting of Shareholders of Siemens Gamesa Renewable Energy, S.A.³⁹.

C. Environmental Matters



C1. Environmental Management System

C1.1 Management Approach

[L11-M01] Climate change and resource scarcity are some of the greatest global challenges facing society today. As a leading supplier of wind power solutions, Siemens Gamesa's business model is based on the development of sustainable products and services that address these global challenges. The Company also considers these global challenges in its operations as we continuously strive to improve energy efficiency and reduce CO₂ emissions associated with our production technologies and services. Waste reduction, promoting a circular economy and conserving biodiversity are also important. Given that any industrial activity has potential environmental impacts, the Company adheres to the precautionary principle and manages its environmental risks in an integrated manner.

Moreover, environmental excellence is essential to contributing to achieve the UN's 17 Sustainable Development Goals (SDGs) and meeting the requirements set out in the Paris Agreement for climate change. We are committed to fostering the sustainable use of resources, a culture of respect for the natural environment and to leading the fight against climate change by reducing the environmental impact of our activities.

As envisaged in our Sustainability Strategy⁴⁰ that is approved by the Board of Directors, the main environmental topics that have been identified are climate change and resource efficiency. A prioritized set of actions is implemented on this basis to ensure we focus our efforts and drive performance improvements in the areas that are material to our business.

The Company has qualified personnel in relevant functional and geographical areas, which enables us to not only comply with the strictest environmental standards, but also to drive environmental improvements at our factories and across our project sites. However, we recognize that our internal efforts to reduce our environmental impacts are enhanced if combined with other collaborative initiatives with our business partners, such as customers, suppliers, authorities and political parties, industry associations, research institutes and similar. We therefore seek, lead and support environmental improvements throughout our product value chain to ensure appropriate improvements are implemented in all stages of our product and service lifecycles.

[L11-M05] Siemens Gamesa does not have any environmental liabilities, expenses, assets, provisions or contingencies that might be material with respect to its equity, financial position and results. Therefore, the Company does not make any specific disclosures relating to environmental matters in the Consolidated Financial Statements.

C1.2 Environmental Policies

Siemens Gamesa has several policies that cover both broad and specific principles in relation to environmental protection. For example, the Sustainability Policy⁴¹ outlines broader ambitions related to decarbonization, circularity and biodiversity protection the planet and climate change. The Business Conduct Guidelines state environmental principles that employees and managers are expected to apply in their daily work, while those explicitly stated in

our Code of Conduct are targeted at our suppliers and third-party intermediaries.

The Siemens Gamesa Policy⁴² also provides clear direction and specific objectives with regard to Health, Safety and the Environment. It applies globally and is mandatory for all employees working for Siemens Gamesa, or on its behalf or under its authority. The policy is the underlying framework for how we aim to achieve our Company DNA. The following quote from our policy clearly articulates our core philosophy:

"United we will shape the renewables sector and its entire value chain, leveraging our industrial, technological and innovative capabilities to contribute to a cleaner and more sustainable environment for generations to come."

C1.3 Environmental Management System

[L11-M04] [102-11] Siemens Gamesa applies the precautionary principle regarding environmental protection in accordance with the provisions of Article 15 of the Rio Principles. This principle has been widely accepted in laws and regulations aimed at protecting the environment.

[L11-M02] The global Head of Quality Management and Health, Safety and Environment (QM&HSE) is responsible for the governance of Siemens Gamesa's Integrated Management System (IMS), including all environmental certifications, policies and procedures. Siemens Gamesa has an Environmental Management System certified according to the ISO 14001:2015 standard that currently covers 115 locations. The scope of certification covers all functional areas and core processes related to the sale, design, development, procurement and manufacture of wind turbines and other mechanical and electrical components for both wind and non-wind applications. Project development, such as construction, installation and service of wind turbines, is also covered by the scope of this certification. The certificate is valid until July 2024.

[L11-M03] Siemens Gamesa's Siemens Gamesa's Integrated Management System (IMS) provides a framework of procedures and tools around a range of environmental topics to monitor, control and improve the Company's performance. The Company can thereby demonstrate compliance with our stakeholders' requirements, identify potential issues and implement controls to avoid or reduce potential environmental impacts as well as engage employees and motivate suppliers to improve their environmental performance when planning and carrying out activities related to its operations, products and services. However, the management system, which is composed of a series of documents and tools, is ineffective without competent employees and a supportive leadership team bringing it to life.

We have various global environmental procedures that are governed by the corporate HSE functional area. They are implemented and continuously improved in cooperation with specialists across Siemens Gamesa to effectively reflect the different parts of the business.

C1.4 Environmental Targets

The Company has established a new Sustainability Strategy towards 2040 that contains a broad range of targets to fulfil its commitment to fighting climate change and protecting the environment. These targets also encompass our commitment to the Science Based Targets Initiative, which has verified our Science Based Targets until 2025 (page 50).

Table 1 - Key environmental targets to 2040

	FY17/18	FY20	FY21	FY40
CO ₂ emissions (Scope 1+2) <i>tCO₂/MW installed</i>	12.3	3.2	2.8	0
Suppliers signatories of SBTi % <i>Purch. Vol.</i>	Not tracked	Not tracked	3%	100%
Product recyclability % <i>Turbine recyclability</i>	85%	85%	94%	100%

Monitoring and analyzing the environmental performance of our production facilities and project sites is essential to attaining these goals. In 2019, Siemens Gamesa implemented Sphera, our internal HSE software tool that allows for data collection and analysis. Sphera is also instrumental for:

- Reporting figures such as energy use and sources, waste amounts and disposal destinations, water use, environmental incidents, etc.
- Monitoring environmental data and trends, and visualizing them to better support analysis.
- Providing transparency and opportunities for sharing best practices.

C1.5 Environmental Successes

At Siemens Gamesa, we pride ourselves on our consistent efforts to improve our environmental performance. Below are some examples of the successes we celebrated in FY21.

Employee engagement:

Combined with our health and wellbeing activities, we encourage our employees to engage in good environmental practices in and out of the office. We have run voluntary employee initiatives such as the "Going Green Challenge" to help Siemens Gamesa employees carry out environmentally friendly habits using the Shine mobile app, which has since been replaced by the "Sustainable Employee" initiative using the DoGood mobile app. Other initiatives include "The Forests of Siemens Gamesa", a tree planting initiative, the "Coastal Clean-ups" to improve biodiversity, and the "Digital Clean-up Days".

Action Plans across Siemens Gamesa:

We foster a culture where all employees have the chance to identify problems and submit innovative solutions to reduce the environmental impact and improve the Company's processes. The Siemens Gamesa Action Plan Tool is a centralized tool to capture "greener" opportunities across the business and nurture cross-site learning by sharing environmental improvement ideas and experiences. Employees are invited to submit innovative project initiatives to achieve environmental savings and also inspire others. For implemented projects, we track our environmental improvements and categorize them in relation to the six areas of our HSE Policy⁴³ and our HSE processes. HSE improvements can be categorized as actual environmental savings (e.g. absolute reduction, substitution or efficiency measures) or other initiatives such as campaigns, research, mappings, trainings, etc. In FY21, 31 energy saving, and 41 waste saving actions were deployed.

Green hydrogen innovations:

Following our commitment to decarbonize the economy and protect the environment, Siemens Gamesa and Siemens Energy announced in early 2021 that they are joining forces to develop an innovative, fully integrated offshore wind-to-hydrogen solution⁴⁴. Siemens Gamesa will adapt its SG 14-222 DD offshore wind turbine to integrate an electrolysis system at the base of the turbine tower. The solution will lower the cost of hydrogen by being able to run off-grid, opening more and better wind sites.

This marks the first major step towards developing an industrial-scale system capable of harvesting green hydrogen from offshore wind and will enable decarbonization of hard-to-abate sectors such as transport and heavy industry.



Figure 19 - Why we need green hydrogen



Figure 20 - Brande Brint 3 hydrogen plant integrated with a wind turbine

Greener service logistics:

'Groenewind', a new vessel that is the first of its kind in the offshore service arena, was deployed to service 100 turbines in Belgium. The vessel is smaller and lighter than typical Service Operation Vessels (SOVs) and, consequently, more sustainable: it reduces fuel consumption by 50% compared to a monohulled SOV and requires less material for its construction⁴⁵.



Figure 21 - Groenewind SOV

Decarbonizing the Supply Chain:

- Siemens Gamesa is engaging its supply chain towards complete decarbonization in line with the 1.5-degree Celsius global warming trajectory. In 2019, Siemens Gamesa deployed a "Supply Chain Decarbonization Program" for its tower suppliers, with promising initial results: a reduction of 20,000 tons of CO₂ emissions per year, i.e. approximately 20% of the emissions generated by its main tower suppliers⁴⁶.
- In FY21, the program was implemented on the outskirts of Vietnam's largest city, where one of our tower suppliers installed a total of 16,282 solar panels, providing 7 MW of peak capacity, which will soon cover around 40% of the Company's electricity requirements⁴⁷.

C1.6 Product Portfolio and Environmental Benefits

[305-5] Siemens Gamesa's product portfolio directly contributes to a reduction in greenhouse gas (GHG) emissions and climate protection. It also addresses other global challenges such as natural resource scarcity and environmental pollution. As a result, our product portfolio is our biggest contribution to society.

In 2021, 10.2 GW of additional wind energy capacity was installed, helping our customers to further reduce their emissions by 29 million tons of CO₂. On a cumulative basis, more than 117 GW of Siemens Gamesa wind turbines have been installed since 1998. This allows our customers to mitigate their carbon footprint by more than 329 million tons of CO₂ per year. [See Table 43 - Environmental benefits-savings (cumulative at fiscal year-end)]

Siemens Gamesa is also driving the global green energy revolution in innovative areas such as hybrid power (hydrogen) and energy storage⁴⁸.

C1.7 Product Stewardship

Product stewardship at Siemens Gamesa is an approach to managing the environmental and social impacts of our products and services, and the embedded materials and safety measures. It means life-cycle thinking is central to the design of our product components and operational processes. It also means that we expect everyone involved throughout our product's lifespan to adopt a shared responsibility to ensure that those products or materials are managed in a way that reduces their impact on the environment and on human health and safety throughout their lifecycle.

As an original equipment manufacturer (OEM), we recognize we are the ones best placed to minimize any potential adverse impacts. However, we also require our suppliers, contractors and customers to support us in our efforts where possible.

Despite the green profile of our products, we continue striving to reduce their associated potential environmental and social impacts, such as improving resource efficiency in our design and manufacturing processes, optimizing energy production during operation and the mean time between service visits, improving component recyclability, etc. We also work closely with our suppliers and customers to achieve this. [See C1.4 Environmental Targets, C1.9 Environmental Criteria in Product Design and C3.10 Product Recycling]

C1.8 Life Cycle Assessments

Siemens Gamesa quantifies and documents the significant life cycle impacts of our products and operations (manufacturing, installations, services) by performing Life Cycle Assessments (LCAs) in accordance with the ISO 14040 series of standards and applicable Product Category Rules (PCRs). This methodology analyzes the environmental impacts across the life cycle of the product and the processes associated with each life cycle stage. We use LCA findings as a basis for:

- Communicating our environmental performance to our internal and external stakeholders in the form of Type II and III Environmental Product Declarations (EPDs).
- Identifying opportunities to improve our environmental performance in future designs in line with product stewardship.

By continuously increasing the number of LCAs and EPDs, we are developing a comprehensive knowledge base about the environmental footprint of our products and operations.

At the same time, we use the insight gained from the LCAs to improve not only product-related but also operation-related aspects. One example is our offshore platform upgrade strategy, where current turbine models are outperforming previous models in terms not only of the levelized cost of energy LCoE but also of the environmental impacts, such as energy payback time and CO_{2-eq} emissions per kWh to grid.

In the reporting period, 100% of products were covered by LCAs (screening and full-scale) and EPDs (both Type II & III), and our business achieved a 100% revenue-based coverage ratio.

In FY21, Siemens Gamesa published the following Environmental Declarations in the International EPD® System: Type III EPD for SG 3.4-145.

C1.9 Environmental Criteria in Product Design

Apart from the clear environmental benefits associated with renewable energy production, Siemens Gamesa designs, manufactures and services its products in ways that enhance their environmental performance. Our product development process incorporates many principles based on ISO 14006:2011.

Explicit processes and procedures have been established for assessing and improving environmental aspects associated with the in-house design of components. For example, setting improvement targets in relation to reducing material amounts or component weights, substituting material or substance types or increasing capacity factors. We also define specifications for, and maintain close dialogue with, suppliers for the supply of environmentally improved materials, articles and components.

Operational procedures and controls are also set to assess and improve environmental aspects linked to manufacturing, assembly and construction, such as implementing action plans and improvement measures for the materials and substances used, the waste generated, the energy consumed, and the volatile organic compounds (VOCs) emitted.

Packaging from material and component deliveries from suppliers as well as from Siemens Gamesa's component shipments is an aspect with potentially high environmental impacts for our products' distribution, storage and transport. This area will be addressed in the future to gain a better understanding of current and upcoming legislation on packaging and its potential impacts on Siemens Gamesa, as well as to raise awareness about the importance of packaging and to introduce more recyclable packaging materials.

Efforts are being made to improve our component upgrades and lifetime extension (LTE) service offerings, as well as spare parts and parts refurbishment offerings for service and maintenance operations on our customers' turbines. Other aspects for environmental improvement include SCADA control functions for optimal wildlife protection, increased mean times between service visits (resulting in lower fuel use), along with reduced exposure and safety risks for technicians, and remote diagnostics to keep availability and capacity factors as high as possible.

Our products are designed to embody energy efficiency at a global scale and incorporate greater energy efficiency throughout most stages of a wind turbine's life cycle, including procurement of raw materials and components, manufacture and assembly of components, and their delivery, installation, operation and maintenance.

Our wind turbines also record better efficiency figures compared to preceding models for many environmental indicators, including size, weight, visual impact, material reduction and selection of those with low environmental impact, production optimization, reusable packaging, less civil and installation works, noise reduction, waste optimization during maintenance and a modular design to facilitate dismantling.

C1.10 Environmental Requirements for Suppliers

We require our suppliers and contractors to share our common goal of behaving in an ethical, law-abiding manner at all times. Our global Code of Conduct for Suppliers and Third-Party Intermediaries establishes standards to ensure that working conditions in our supply chain are safe, that workers are treated with respect and dignity, and that business operations with suppliers are ethically, socially and environmentally responsible.

The Code of Conduct applies globally to all of Siemens Gamesa's suppliers and third-party intermediaries.

We engage our suppliers to join our journey towards more sustainable operations and thereby reducing our carbon footprint. In FY21, we established a formal Supply Chain Sustainability team within Procurement in order to strengthen decarbonization efforts within our value chain. [\[See E3.6 Sustainability Integration in the Supply Chain\]](#).

A new sustainability and greenhouse gas emissions category has been incorporated into our annual supplier evaluation process. Suppliers are now able to report on their environmental improvements in terms of CO₂ reduction. Looking to the future, Siemens Gamesa plans to incentivize suppliers to deliver on their sustainability commitments, with a 2025 objective to have at least 30% of suppliers with approved decarbonization targets that are aligned with the Science Based Target initiative (SBTi) and a 2040 objective of 50%. [\[See section E3. Responsible Supply Chain\]](#)

C2. Climate Change

C2.1 Management Approach

[L11-M14] Siemens Gamesa recognizes that climate change is a global issue requiring urgent collective action by governments, businesses and citizens alike. As a provider of clean affordable energy, we contribute to the global economy's decarbonization through the products and services we develop and the ways in which we operate. The Company announced that it became carbon neutral in late 2019 and sourced 100% renewable electricity in late 2020, which are both major milestones on the path towards the long-term target of net-zero CO₂ emissions by 2040.

Siemens Gamesa also contributes to the global economy's decarbonization through partnerships with policymakers, industry associations and business partners to address climate change collectively. We are a member of many global communities who share our commitment to climate protection and decarbonization, such as the **Science Based Targets Initiative**⁴⁹, **American Business Act on Climate Pledge**⁵⁰ and the **Paris Pledge for Action**⁵¹, in which Siemens Gamesa has voluntarily committed to climate protection and decarbonization initiatives.

However, we also recognize that our business is not immune to the risks associated with climate change. With warmer weather and more extreme weather conditions due to climate change, medium- and long-term impacts to our business are possible. Longer and warmer seasons or extreme cold could materially affect our customers' operations and limit the attractiveness of our products. Severe events, such as fires, hurricanes, high winds and seas, blizzards and extreme temperatures, may cause evacuation of personnel, curtailment of services and suspension of operations, inability to deliver materials to sites in accordance with contract schedules, loss or damage to equipment and facilities, supply chain disruption and reduced productivity.

The Company has made undertakings to several business initiatives aimed at assessing its climate related risks and opportunities, and mapping and reducing the impacts associated with its emission sources. Siemens Gamesa plans to adapt the recommendations of the Task force on Climate-related Financial Disclosures (TCFD) for voluntary reporting of the financial impact of climate risks in order to publicly disclose this information in a transparent manner. The Company also takes account of best practices on reporting climate-related topics and the "Guidelines on reporting climate-related information".

The TCFD recommendations are voluntary principles. This framework allows for a better understanding of business risks and opportunities that are derived from climate change impacts and greater transparency in companies' climate governance, strategy and performance in mainstream financial reporting.

Siemens Gamesa is addressing the climate emergency holistically by integrating climate change into its governance, business strategy and risk management procedures.

C2.2 Governance: Governance and Risk Management Process to Tackle Climate Change

Climate Change

Our Sustainability Policy⁵², approved in September 2021, applies Company-wide and covers Siemens Gamesa's commitment with the protection of our planet. Climate change is the most important environmental aspect to Siemens Gamesa. The company is committed to combatting climate change by minimizing the emissions deriving from its value chain and through its product and service offerings, making real what matters – clean energy for generations to come

- i. Take urgent action to combat climate change and its impacts (SDG 13) while providing affordable and clean energy for generations to come (SDG 7).
- ii. Subscribe to the global greenhouse gas emission reduction goals established in the Paris Climate Agreement.
- iii. Pursue innovative advances in our product that help to mitigate climate change impacts and reduce greenhouse gas emission.
- iv. Advocate for a global emissions market and ESG oriented finance sector to finance clean energy projects.
- v. Responsible use of energy and natural resources.
- vi. Develop training and awareness-raising activities concerning pro-environmental behavior and climate action.
- vii. Report transparently and in a timely manner with respect to our fight against climate change.
- viii. Promote industry alliances and partnerships to jointly address climate change.

Board Oversight and Management's Role

The Governance structure for all sustainability and climate change in Siemens Gamesa is addressed in [section A.7.8 Responsibilities](#)

C2.3 Risk Management: Risks and Opportunities- Task Force on Climate-Related Financial Disclosures

Risk Management process

Siemens Gamesa assesses risks and opportunities based on their impact and likelihood over a time horizon of three years. The potential impact of a risk or opportunity can be assessed from a quantitative or qualitative perspective. Regular risk review takes place at the end of the quarterly update and review process. Each organizational unit reports its updated risk register to the next higher organizational level for further evaluation and analysis. Climate change is integrated into this process to the extent that it influences our business in relation to either strategy or operations.

In addition, and alongside the corporate enterprise risk management (ERM) process, in 2020 Siemens Gamesa initiated a climate change scenario analysis study to better understand climate risks in the short, medium and long-term. The scenario analysis covered our three activities, Onshore, Offshore, and Service; both our direct operations and our wider supply chain, and focused on 10 key countries: UK, Germany, Spain, US, India, Denmark, Brazil, Morocco, France and China.

Siemens Gamesa re-assessed its climate-related risks and opportunities in 2020 and 2021. The process seeks to identify, assess, and better understand all possible types/sources of climate risks and opportunities in the short, medium and long-term.

Identified Risks & Opportunities

The ‘rapid low carbon transition’ below 2°C scenario offers significant opportunities to Siemens Gamesa in relation to the expansion of onshore and offshore wind markets globally, as well as the development and expansion of clean technologies such as green hydrogen and floating offshore wind. In addition, this

scenario suggests various policy and social benefits to encourage policymakers and other public authorities to adopt more ambitious targets and regulatory frameworks in support of the expansion of renewable capacity and employment opportunities globally. However, the below 2°C scenario also suggests that there are some key risks for Siemens Gamesa regarding the demand for raw materials, such as concrete, steel and rare earth elements, and its suppliers’ ability to keep pace with technological developments in a sustainable way. Furthermore, carbon pricing of key raw materials, an increased risk of ‘NIMBYism’ (Not In My Back Yard) with larger turbines and greenfield expansion, and competition with the maritime industries (fisheries and O&G sectors) are other identified risks.

The ‘high physical impact’ 4°C scenario mainly suggest risks such as acute and chronic weather conditions – particularly changes in wind speeds and patterns, extreme temperatures, large seasonal differences and variations in precipitation that cause floods or droughts. The physical risks thus identified tend to be high impact but low likelihood events which result in comparatively low annualized risk levels affecting specific factories or wind farm assets. Country-specific risks are shown in [Figure 23. Climate change risks and opportunities in a “Best Case” scenario](#) and [Figure 24. Climate change risks per country in a “Worst Case” scenario](#).

The identified risks and opportunities were assessed in accordance with TCFD⁵³ guidelines. Siemens Gamesa is on the path towards integrating the identified risks and opportunities into its business strategies and risk management processes. By fully adopting the TCFD framework, the Company will enhance its governance over existing commitments such as SBTi and also mitigate climate-related risks and exploit climate-related opportunities, which will consequently strengthen confidence among its shareholders and customers.

Figure 22. Methodology to identify and assess climate change risks and opportunities

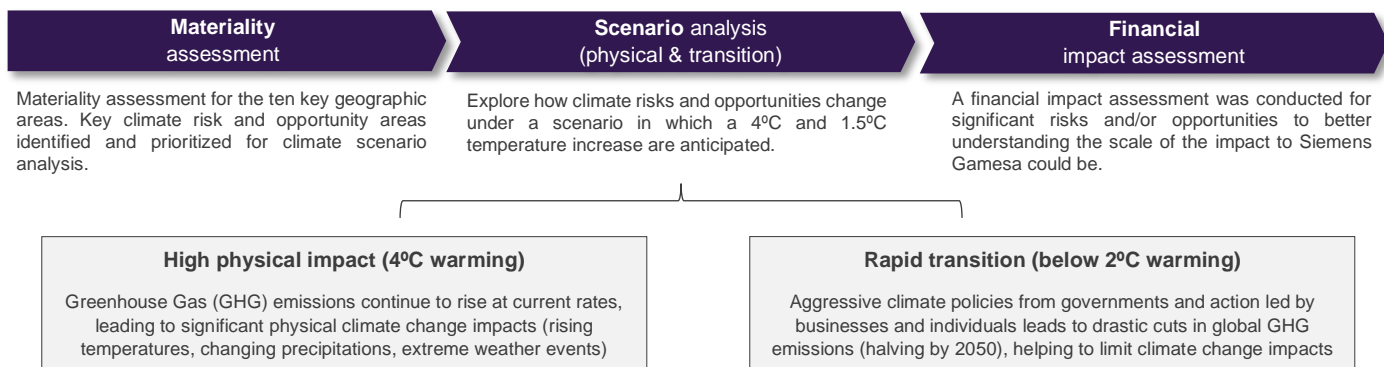


Figure 23. Climate change risks and opportunities in a "Best Case" scenario

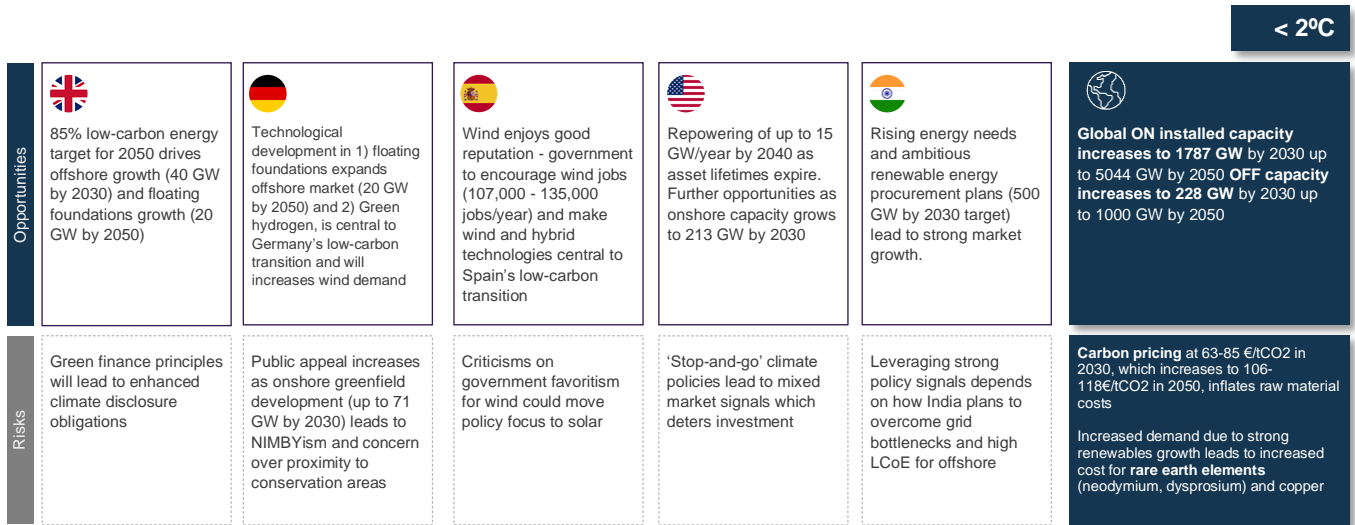
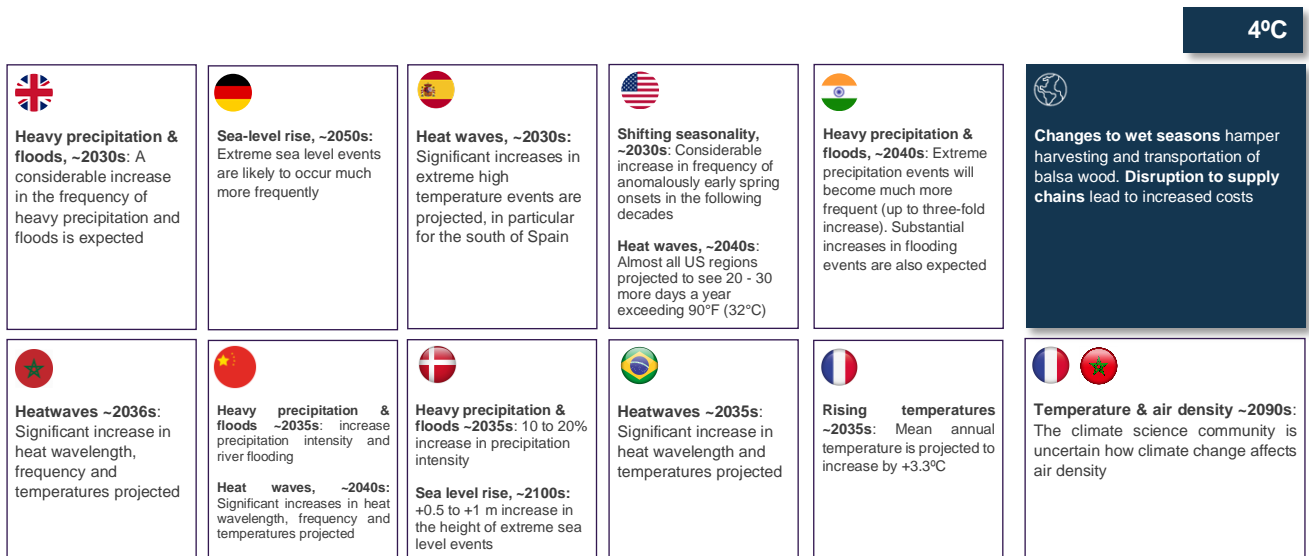


Figure 24. Climate change risks per country in a "Worst Case" scenario



C2.4 Strategy: Strategy to Tackle Climate Change

The scenario analysis highlighted more tangible linkages between climate risks and business operations for Siemens Gamesa. This also helped to inform the Company on how to respond with appropriate mitigation actions in a variety of ways, as depicted and described below.

Figure 25. Impact of the identified risks and opportunities on Business Strategy & Financial Planning



(i) Net-zero carbon emissions strategy

[L11-M15] In 2019, five years ahead of schedule, Siemens Gamesa became carbon neutral⁵⁴, which represents a major milestone towards the Company’s long-term ambition of reaching net-zero CO₂ emissions by 2040.

This is a Company-wide target that is linked to the overall business strategy, where the initial ambition was accelerated by ten years (formerly a 2050 target). The global roadmap for meeting net-zero emissions by 2040 involves six emission reduction levers as depicted in Figure 27 – Siemens Gamesa net-zero carbon emissions strategy.

(ii) Science Based Targets

The Science Based Targets Initiative (SBTi) encourages companies to set carbon emissions reduction targets at a level necessary to meet the 1.5/2°C compared with preindustrial temperatures set in the Paris Climate Agreement. Siemens Gamesa was the first renewable energy manufacturer to commit to SBTi in September 2018 and, by 2020, the SBT verified that Siemens Gamesa’s emission reduction strategy was aligned with what climate science estimates necessary to meet the 1.5°C trajectory.

Siemens Gamesa has set the following targets through 2025 to meet its net-zero goal by 2040. The first two targets have been achieved and the Company is working closely with its supply chain to deliver the third target.

(iii) Climate change integration into risk management processes

Drawing on the quantified risks identified in the scenario analysis conducted in 2020, a two-year roadmap was developed in 2021 to determine how climate change risks and opportunities could be better integrated into business processes to support strategic decisions.

The purpose of this roadmap was to integrate climate change risks and opportunities more systematically into the ERM (Enterprise Risk Management) and ICFR (Internal Controls and Financial Reporting) processes; provide more clarity on governance structures across the various levels of the organization in relation to climate change topics; strive towards full alignment with TCFD recommended disclosures; and assess and disclose the potential impact of climate risks and opportunities on the financial performance of Siemens Gamesa.

The two-year roadmap contains activities to better integrate climate change into the Company’s governance, strategy and risk management processes. These activities will ensure an embedded process to run periodic scenario analysis to identify climate change risks and opportunities in longer time horizons, the use of a risks radar that integrates medium- to long-term (+3 years) risks, and clearly defines processes of annual review, prioritization, management, internal audit and escalation.

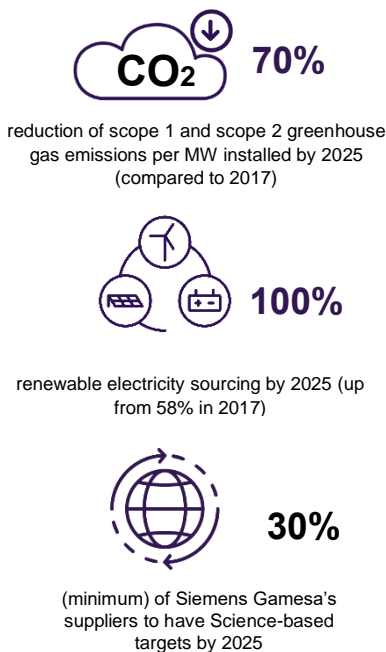
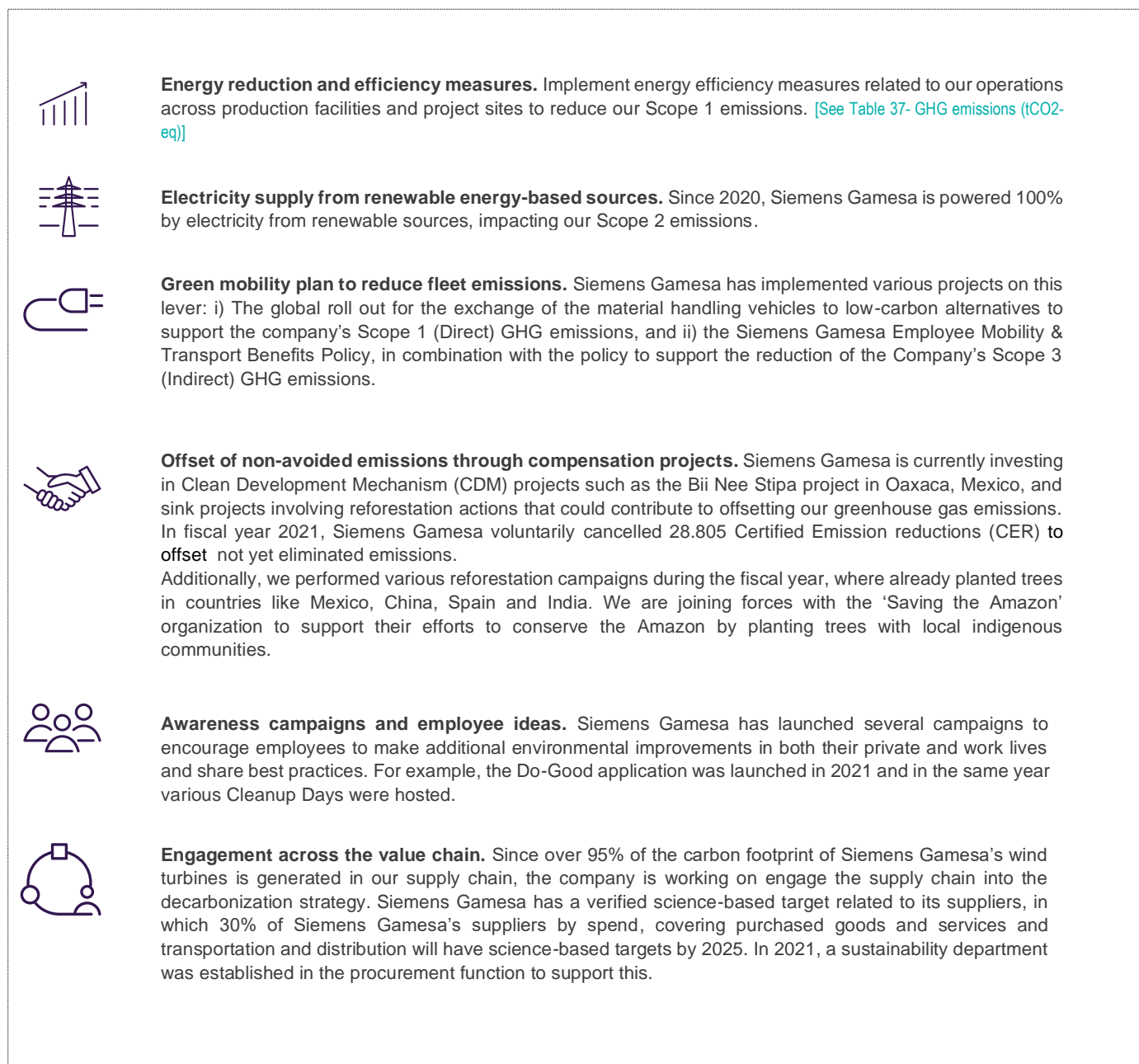


Figure 26 - Siemens Gamesa science-based targets

Figure 27 – Siemens Gamesa net-zero carbon emissions strategy



C2.5 Metrics and Targets: Metrics and Targets Related to Climate Change

Targets

[L11-M16] As indicated in Section C.2.4, Siemens Gamesa has set targets for the next five years until 2025 to meet its net-zero goal by 2040:

- Reducing scope 1 and scope 2 greenhouse gas emissions by 70% per MW installed (compared to 2017).
- Increasing the annual sourcing of renewable electricity to 100% (up from 58% in 2017).
- 30% of Siemens Gamesa's suppliers in terms of expenditure, covering purchased goods and services and transportation and distribution, will have Science-Based targets by 2025.

The first two targets have been achieved and the Company is working closely with its supply chain to deliver the third target.

Additionally, Siemens Gamesa was rated "A" within the climate change module of CDP (formerly Carbon Disclosure Project).



Greenhouse gas emissions metrics

[L11-M06] Siemens Gamesa measures its direct and indirect emissions on an annual basis in accordance with the requirements of ISO 14064-1. The greenhouse gas (GHG) emissions inventory is then published in our GHG emissions report, which is verified by a third party and made public. The Company's total emissions of CO₂-eq under Scope 1 and Scope 2 amounted to 28,805 tons CO₂-eq in FY21 (27,910 in FY20).

[305-4] The GHG emissions intensity expresses the amount of GHG emissions per unit of activity, output, or any other specific internal metric. In the case of Siemens Gamesa, the most representative metric is the number of megawatts installed. For the reporting period, the combined intensity ratio for direct (Scope 1) and indirect (Scope 2) GHG emissions was 2.8 tCO₂-eq /MW (3.2 tCO₂-eq /MW in 2020) [See Table 37- GHG emissions (tCO₂-eq)]

Scope 1 (direct) emissions

[305-1] Direct GHG emissions (Scope 1) arise from sources owned by the Company or under its control. It includes emissions generated by the combustion of materials to generate heat. In addition, chlorofluorocarbon substances (CFCs) and halons, traditionally used as coolants and propellants, affect the ozone layer if they are released into the atmosphere. The presence of these substances at Siemens Gamesa is marginal and found mainly in fire extinguishing equipment and cooling systems. Maintenance of this equipment, which works in closed circuits, is performed in accordance with prevailing legislation. Scope 1 emissions amounted to 26,788 tCO₂eq in FY21 (26,053 tCO₂eq in FY20), i.e. a 3% increase year on year. [See Table 37- GHG emissions (tCO₂-eq)]

Scope 2 (indirect) emissions

[305-2] Indirect GHG emissions (Scope 2) refer to the consumption of purchased electricity and district heating. Siemens Gamesa uses a market-based approach to calculate the indirect emissions produced by consuming electricity. Scope 2 emissions amounted to 2,017 tCO₂eq in FY21 (1,857 tCO₂eq in FY20), i.e. an 8.5% increase. Siemens Gamesa's renewable electricity ratio has been steadily rising from 58% in FY17, 61% in FY18 and 62% in FY19 to reach 100% in FY20 and FY21. Our annual electricity consumption amounted to almost 650 GJ, all of which was generated by renewable sources. [See Table 35 - Energy use (Gigajoules-GJ)]

Scope 3 (other) emissions

Scope 3 emissions are all indirect emissions (not included in scope 2) that arise in the Company's value chain, including both upstream and downstream emissions. This calculation includes transportation and distribution (marine diesel oil for vessels), disposal of waste generated in operations, use of sold products, business travel (air and rail) and employee commuting. Scope 3 emission amounted to 856,082 t CO₂-eq in FY21 (516,853 t CO₂-eq in FY20). The increase is due to the inclusion of jet and marine fuel data for construction and service activities that were not considered in fiscal year 2020. [See Table 37- GHG emissions (tCO₂-eq)]

C3. Sustainable Use of Resources

C3.1 Management Approach

Siemens Gamesa's Environmental Management System is the central framework that helps us achieve our environmental targets and it is based on the principle of continuous improvement. [See Section C1.3 Environmental Management System]

Our HSE Aspects⁵⁵ (PRO-31731) are pivotal to helping us determine our environmental aspects, in terms of both risks and opportunities, and informing us on how to manage them. Our annual evaluation is one source of input to our sustainability strategy and improvement KPIs [See Section C1.4 Environmental Targets]. Our global aspects evaluation is a compilation of the local aspects evaluations that are performed at each of the factories and project sites.

The Company's environmental management systems identify, assess and minimize any possible negative impacts of the Company's carbon and other atmospheric emissions, in addition to their noise and light impact, raw material consumption, waste, water usage and spillage, and chemical product management, while at the same time maximizing their positive impacts.

[L11-M09] With regard to the legal requirement concerning the sections on food waste and light pollution, Siemens Gamesa states that these are not material aspects of its activity. This is due to the nature of Siemens Gamesa's business and based on the materiality assessment.

Siemens Gamesa's environmental management systems are verified and certified by independent entities accredited according to the international ISO 14001 standard.

C3.2 Use of Materials

[L11M11] [301-1] The Company's use of raw materials in 2021 stood at 2,362 thousand tons (1,424 thousand tons in FY20), mostly steel, structural concrete and low-alloy steel. Other significant materials include glass fiber, epoxy and cast iron. The difference between years is given by (i) The difference in production between years and (ii) The different calculation method used, as it is explained in table 34. [See Table 34 - Top key commodities & materials used by weight]

C3.3 Energy Use

[L11M12] [302-1] Energy consumption within Siemens Gamesa is monitored systematically for all significant Group locations (production facilities, buildings, project sites and offices belonging to Siemens Gamesa, which account for 95% of the energy consumption, excluding energy consumption by subcontractors). The energy consumption is calculated by adding i) Primary energy consumption of fuels and ii) Secondary energy consumption of electricity and district heating purchased from third parties.

Energy consumption monitoring is set out in our internal procedure on Environmental Monitoring and applies to all of Siemens Gamesa. The procedure defines the criteria to ensure monitoring of all significant locations and units, as well as the established cut-off

criteria. Hence, the scope includes at least 95% of total energy consumption. There is clear visibility of the locations in the scope of monitoring and each data type is defined in detail to ensure the data is recorded consistently across all countries and locations. Energy consumption data is recorded in the Sphera tool on a monthly basis after it is checked by several input units. All records are reviewed and converted to GJ, which is the Company's standard unit.

One hundred percent of our products provide benefits to our customers and consumers in terms of resource efficiency, decreased GHG emissions reduction, and pollution reduction during their use phase. Additionally, Siemens Gamesa owns wind and solar assets that generated more than 390,000 MWh of electricity in FY21, which is more than our in-house consumption, with the result that Siemens Gamesa is a net producer of renewable electricity. The clean energy production from our wind farms helps us and our customers advance towards the target of Net Zero by 2040. Siemens Gamesa also utilizes Energy Attribute Certificate (EACs) for self-generated electricity, where possible. The assets are in Spain, Denmark, India and United States.

Total internal energy consumption amounted to 1,153,471 GJ in FY21 (4% lower than in 2020). Accordingly, annual energy consumption per employee is estimated at 44 GJ in FY21. Natural gas is the main primary energy source, representing 49% of the total primary energy demand.

[L11M13] Total electricity consumption amounted to 618,385 GJ in FY21 (655,497 GJ in FY20), 100% of which was from renewable sources. Siemens Gamesa's electricity consumption is now covered by minimum EACs or onsite generation, which ensures that the origin of the electricity is from renewable sources; this has drastically reduced Siemens Gamesa's scope 2 emissions. [See Table 35 - Energy use (Gigajoules-GJ)]

C3.4 Other Atmospheric Emissions

[305-6] Other industrial emissions into the atmosphere are also relevant in terms of environmental protection.

Volatile organic compounds (VOC) contribute to the formation of ozone close to the earth's surface and are responsible for what is known as summer smog. These organic compounds are used by Siemens Gamesa as solvents in paints and adhesives, in impregnation processes and for surface cleaning. Monitoring of VOC emissions is defined by local authorities and can be done either via measures in the exhaust systems or via mass balances by calculating atmospheric emission based on the actual consumption and the amounts disposed of as waste. Both methods are accepted in our internal procedure for air emissions management because they comply with local legislation. Quantitative measurements are conducted at each air emission source by an authorized third party where required by the authorities.

We also monitor the use of ozone-depleting substances (ODS) and comply with the Montreal Protocol, the international convention on the protection of the ozone layer, as well as with country-specific legislation. [See Table 38. Other atmospheric emissions (t)]

C3.5 Noise Management and Control

[L11-M08] The Company has implemented operating procedures to control the release of air pollutants and ensure legal obligations are met. Documentation is recorded and filed properly for verification and auditing. The operating procedures also set minimum requirements for the management and control of noise emissions.

In order to ensure that a production facility complies with the local noise limit as set forth in the environmental permit, the noise level of the specific processes and equipment is measured. Maintenance or technical departments must be aware of local legal requirements on noise and react if any equipment or vehicles exceed permitted noise levels. This also applies to external suppliers. When purchasing new equipment (ventilation systems, forklift trucks, production equipment, etc.), noise level specifications are considered along with other technical specifications. The HSE functional areas assess noise by measuring the overall noise level in order to ensure compliance with the legal requirements as set forth in the environmental permit. When designing new processes or changing existing processes, noise level specifications are considered and the local HSE functional area makes consultations to ensure the change is allowed under the environmental permit.

C3.6 Waste management

Environmental impacts from Siemens Gamesa's waste depend on the type of waste and the chosen waste treatment method. Our waste performance indicators address absolute improvements in waste and waste treatment according to the waste hierarchy.

Waste generation and management are governed by our internal waste management procedure, which applies globally across Siemens Gamesa. The procedure distinguishes between hazardous and non-hazardous waste, provided it is generated by our production facilities and project sites. Waste generation at all significant locations is logged on a monthly basis.

Waste records are divided into recyclable waste (which, in turn, is divided into waste for reuse, waste for recycling and waste for recovery, including energy recovery) and waste for disposal or landfill. In addition to stating the proper procedure for recording all kinds of waste, the procedure also sets requirements for local waste management plans and for waste segregation, labelling and storage to ensure there is no contamination from spills, while ensuring proper disposal.

The total volume of waste amounted to 63,127 t in FY21 (68,311 in FY20). The ratio of hazardous waste to non-hazardous waste produced was 1:7, and the waste overall recycling rate was 79% [See Table 39 - Waste production (t)]

C3.7 Water Management

[L11M10] [303-1] Siemens Gamesa consumes water mainly at manufacturing facilities, where best practices available are used to reduce water withdrawal and consumption and to include reused water in production processes. Work is also being done to lower the environment impact by avoiding water withdrawal in water-

stressed areas. The Company is also focusing on making efficient and responsible use of sanitary water at offices and buildings.

Water usage is governed by an internal procedure for water and soil protection that sets out the requirements for monthly recording of the usage of different water types and of wastewater production and disposal. The procedure also has detailed recommendations for using spill kits to mitigate the potential effects a spill may have on local watercourses.

Total water consumption amounted to 553,270 m³ in FY21 (522,530 m³ in FY20). A total of 2,248 m³ of recycled water was used in FY21; this includes a total of 2,155 m³ (16,945 in FY20) of recycled water treated internally. [See Table 40. Water consumption (m3)]

There are no records of any water sources being significantly affected by water withdrawals made by Siemens Gamesa in the reporting period. In other words, no water sources were recorded to have been significantly affected by:

- Withdrawals which amounted to more than 5% of the total annual average of any water mass.
- Withdrawals from water masses recognized by experts as being especially sensitive due to their relative size, function or unique nature, or otherwise, a threatened or endangered system that shelters protected plants or animals.
- Withdrawals from Ramsar wetlands or from any other local or international protected area. All withdrawals of water are strictly regulated by public administrations, which grant permits and set the maximum withdrawal volumes allowed to ensure no significant impacts occur.

The volume of discharged effluents at the end of the reporting period amounted to 491,862 m³ (342,227 m³ in FY20) Most discharges are linked to manufacturing processes. [See Table 41- Wastewater produced (m3)]

C3.8 Substances

Siemens Gamesa's global substance management process ensures that chemical products involved in our activities are used in a safe and environmentally sustainable way. The process is set out in our internal substance management procedure. The procedure applies to wind turbine design and development, procurement, materials handling, transport and component imports/exports. It also applies when a chemical product or component waste is handled during wind turbine manufacturing, assembly, installation and servicing. Furthermore, the procedure establishes requirements for chemical products used in work performed by third parties under Siemens Gamesa's responsibility.

The Procedure on Substance Management sets forth an assessment process which covers all requests to use new chemical products at Siemens Gamesa. The assessment process is conducted by internally trained employees who assess the request against Siemens Gamesa's official List of Prohibited Products and its official List of Restricted Products. Prohibition or restriction criteria are defined based on the chemical products' hazard classification. Existing products are assessed on an annual basis and phase-out plans are implemented for existing products when they meet prohibition criteria.

In FY21 we completed awareness training on substance management for our supplier qualification employees. More than 200 colleagues completed those sessions related both to product

related environmental laws, including substance regulations at our suppliers, and to protection against exposure to chemical products and processes.

C3.9 Environmental Incidents

Spills

Operational controls are implemented at all Siemens Gamesa production facilities and project sites to protect water and soil from spills e.g. through the establishment of prevention and response plans and the use of control measures such as spill trays, loading and unloading areas, proper storage of substances, routine inspections, etc. Should a spill occur, Siemens Gamesa is equipped with detection, reporting and correction methods to prevent a recurrence. A total of 861 spills were recorded in FY 2021, of which 471 were contained and another 390 affected either water or soil to some degree. None of these spills required any exceptional corrective measures.

Other environmental incidents

In addition to spills, we registered 636 other minor environment-related incidents in relation to:

- Biodiversity impact (125).
- Environmental non-conformity (403).
- Fire, smoke, explosion (14).
- Stakeholder complaint (noise, smell, dust) (30).
- Weather or natural disaster (flood, winds...) (64).

[See Table 42 - Environmental incidents]

There were no significant nonconformities or stakeholder complaints in 2021 involving reports made to the authorities which were related to the environment. Siemens Gamesa did not pay any significant fines or penalties for environmental or ecological issues in FY21. Significant fines or penalties are defined as those exceeding \$10,000 USD (or its equivalent in a local currency).

C3.10 Product Recycling

[L11-M07] Although wind turbines already have a recyclability rate of 85%, it has been inherently difficult to recycle the rotor blades in a cost-efficient way. Furthermore, as the number of installations and turbine sizes continue to increase, it is becoming even more important to reduce the amount of waste. Siemens Gamesa is committed to offering 100% recyclable turbines by 2040 at the latest.

In September 2021, the Company launched RecyclableBlade⁵⁶, the world's first recyclable rotor blade for commercial use offshore. The concept reuses the proven design of Siemens Gamesa blades but utilizes a resin that is recyclable; thus, it is possible to separate the materials used to manufacture the blades, at the end of their service life, and recycle them into new applications. The first blades have already been cast and are ready for installation in FY22.

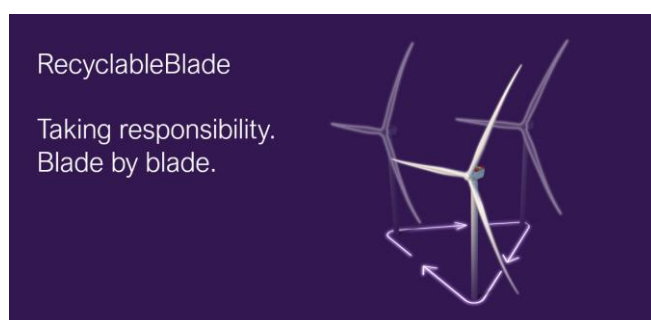


Figure 28 - RecyclableBlade

Another clear example of Siemens Gamesa's commitment to full product recyclability is its endorsement of WindEurope's call for a European ban on landfilling rotor blades by 2025⁵⁷. This call was presented by Wind Europe's Sustainability Working Group at the June 2021 annual meeting of the Spanish Wind Energy Association, of which Siemens Gamesa is an active member.

To sustainably manage the blades already installed, Siemens Gamesa participates in the DecomBlades consortium⁵⁸, which is a cross-sector wind turbine blade recycling project. Consisting of ten project partners, the three-year project aims to lay the foundation for the commercialization of sustainable recycling techniques for the rotor blades. Together, these partners represent the value chain required to establish a recycling industry for composite materials – from supply, to processing, to implementation.

Siemens Gamesa is also participating in the development of an international standard (IEC 61400-28-2), with the scope to provide guidance on optimized recycling at the end of wind turbines' service life. Harmonizing national standards that apply to the decommissioning of wind turbines will be key to ensuring cost- and resource-efficient processes.

Siemens Gamesa continuously assesses its participation in similar projects, research consortia and networks because they directly support our HSE strategy, particularly in relation to waste and resource efficiency. Increasing the recyclability of turbine components is high on our agenda and we participate continually in projects to support the development of a circular economy. Siemens Gamesa advocates for industry-wide international standards on product decommissioning and recycling instead of specific national regulations.

Siemens Gamesa works continuously on improving the end-of-life phase. For example, we offer extended lifetimes in both design and lifetime extension programs. Some of our facilities are fully or partially dedicated to repairing components and returning them to operation (gearboxes, generators, electrical boards and even blades) in order to make progress toward a circular economy with the final aim of achieving cradle to-cradle solutions.

C3.11 Biodiversity

[L11-M17] [L11-M18] Siemens Gamesa products and services use certain natural resources (raw materials, water, fossil fuels and wind) to perform their function, thereby interacting with, and potentially affecting, ecosystems, landscapes and species. For example, this can occur when establishing new facilities or when constructing new wind power plants. Potential impacts to biodiversity can include, for example:

- Potential land use changes by using vehicles and machinery to open paths and remove vegetation.
- Prolonged human presence, which temporarily affects the behavior of species of fauna in a generally reversible way.
- Potential species mortality due to collisions with our customers' wind turbines.

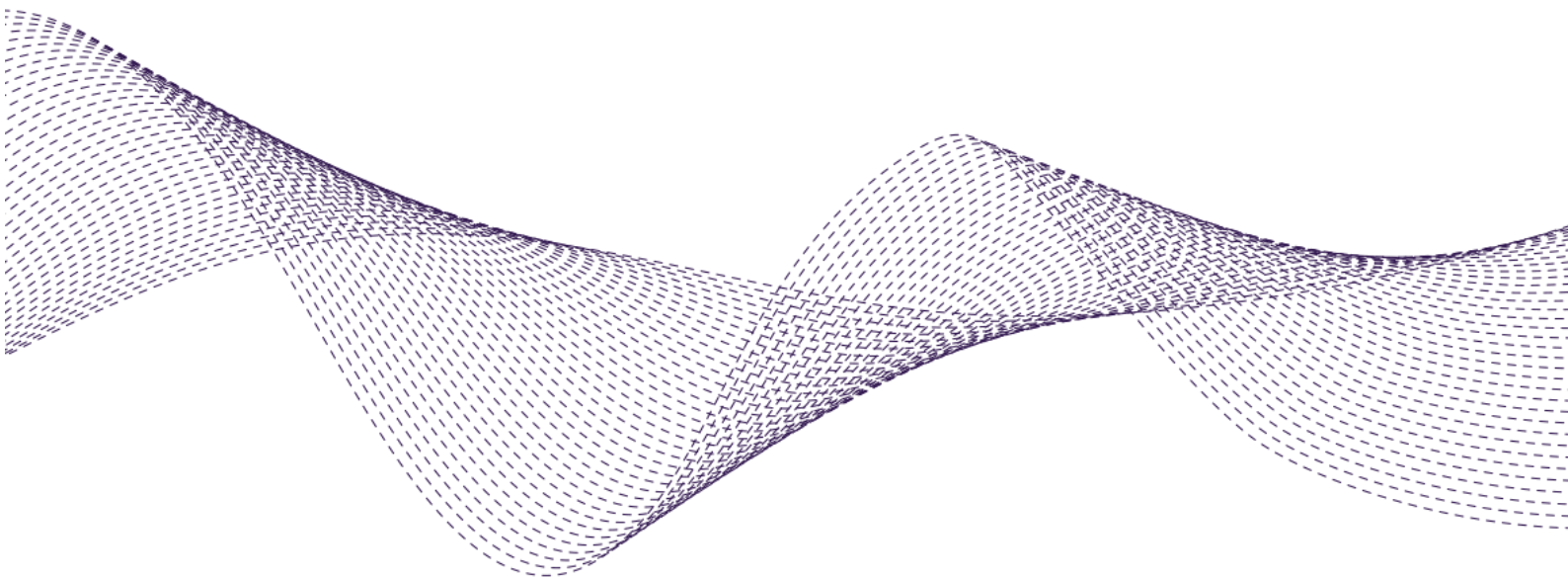
Despite these potential impacts on biodiversity, Siemens Gamesa wind projects are constructed in a sustainable way that allows for a balanced coexistence, thus conserving and protecting natural assets, i.e. biodiversity and climate. This respect for biodiversity and ecosystems plays a leading role in the Company's business strategy. There are a number of regulatory and voluntary instruments to achieve a positive net balance in relation to biodiversity and the environment, including:

- Full compliance with permits granted by environmental and conservation authorities in each region, which establish requirements to ensure local environmental protection.
- Company policies and procedures under the integrated management system which establish environmental control plans.
- Support for conducting environmental impact studies, which include analysis and prevention mechanisms that consider various alternatives and lay down corrective measures to avoid, mitigate or offset any possible damage.
- Technology development related to our control functions (SCADA) and compatibility with other third-party applications for the detection of bird and bat species.

Potential environmental impacts are analyzed through a formal HSE aspects evaluation and by conducting environmental impact assessments beforehand, with measures to correct and minimize the impacts. If they cannot be completely mitigated, offsetting measures are taken. Siemens Gamesa has activities in some areas where threatened species included in the IUCN Red List and in other national conservation lists live or may be present. This, however, does not mean that they are affected or threatened by such activities. The identification of species on the IUCN Red List and other species included in national conservation lists which could be affected by Siemens Gamesa's activities is monitored to take the necessary measures to avoid endangering them.

In November 2020, Siemens Gamesa was one of the initial members of The Offshore Coalition for Energy and Nature (OCEaN)⁵⁹, a coalition of NGOs, wind industry and transmission system operators who cooperate on the sustainable deployment of offshore wind, while ensuring alignment with nature protection and healthy marine ecosystems.

D. Fight against Corruption and Bribery. Respect for Human Rights



D1. Ethics, Integrity and Anti-Corruption

D1.1 Management Approach

[103-1] [102-17] Compliance provides the foundation for all our decisions and activities and is the key component of our business integrity. Compliance is not a program; it is the way we conduct business. Our main principle is: “Clean business at the core of clean energy”. This means complying strictly with all laws and internal regulations and adhering to the principles of ethical business conduct, as described in the Business Conduct Guidelines.

Our Business Conduct Guidelines lay the foundation for our internal regulations and give expression to the Company's values and compliance-related responsibilities, and serve as a behavioral framework for all managers, employees, and Board members worldwide.

Compliance at Siemens Gamesa starts at the very top. Management of the Siemens Gamesa units hold overall responsibility for compliance and are expected to act as role models in matters of compliance and integrity, emphasizing their importance and promoting them through personal leadership and training.

Given the importance of compliance matters, the Chief Compliance Officer reports regularly to the Audit, Compliance and Related-Party Transactions Committee, as well as to the Executive Committee. The Executive Committee and the CCO review and evaluate the effectiveness of the compliance system and adapt it in accordance with the changing requirements in regulatory environment and business needs. The ACRPTC is overseeing the process.

D1.2 Compliance System

The Company has a robust compliance system that underpins all our decisions and activities, in strict compliance with all laws, business ethics principles and internal regulations. Systematic processes and tools are used to support the effective mitigation of compliance risks. The pillars on which our compliance system is built are as follows:

- **Prevention:** Effective preventive measures, such as risk management, policies and procedures, training and communication, enable misconduct to be avoided systematically.
- **Detection:** Effective compliance work requires complete clarification: whistle-blowing channels as well as fair, professional investigations.
- **Response:** Explicit consequences and clear reactions support the prevention of misconduct, for example punishment of wrongdoing and elimination of deficiencies.

D1.3 Applicable Policies & Operating Procedures

Business Conduct Guidelines

The Business Conduct Guidelines (BCGs) define Siemens Gamesa's attitude to responsible business conduct, what we stand

for as a Company and our responsibilities in our markets, in society and towards the environment. The BCGs must be fully implemented within Siemens Gamesa Group and our employees must comply with them in their entirety.

Compliance Handbook

Siemens Gamesa's Compliance department has worked on harmonizing all compliance processes, guidance and policies by drawing up a single policy known as the Compliance Handbook. This document applies to the entire Siemens Gamesa Group.



Figure 29 - Compliance system

D1.4 Compliance Organization

The Compliance Organization is responsible for the overall governance and implementation of the Company's Compliance system in all areas within (1) compliance, which covers anti-corruption, antitrust, anti-money laundering and human rights; (2) data protection; and (3) export control and customs.

1a) The **Compliance Advisory** team defines and implements the framework of compliance rules, policies, and procedures based on laws and regulations.

1b) The **Compliance Investigations & Regulatory** team is responsible for handling, managing and reporting all compliance allegations and any cases involving Siemens Gamesa units and third parties.

2) The **Data Protection** department is responsible for Siemens Gamesa's data protection strategy, worldwide implementation of the Binding Corporate Rules ("BCR"), and advising, clarifying, and handling data protection incidents and requests. The policies and processes needed to comply with the EU General Data Protection Regulation ("GDPR")⁶⁰ and other local data protection laws have already been implemented.

3) The **Export Control and Customs (ECC)** department is responsible for the overall governance of all ECC activities, which include applicable regulatory guidance, regional governance and coordination, and external relations and reviews. The overall mission of the ECC department is to ensure and facilitate legitimate trade, materialize local revenues and protect our business activities, defined as ensuring export control and customs compliance. This mission is being achieved through a Global Corporate ECC Functional Area and by introducing lean best-in-class policies, principles and IT solutions.

D1.5 Anti-Corruption

[L11-C01] Corruption is broadly linked to negative impacts, such as poverty in transition economies, damage to the environment, abuse of human rights and undermining of the rule of law. Siemens Gamesa has established regulations on many aspects related to corrupt practices such as bribery, facilitation payments, fraud, extortion, collusion, money laundering, as well as the offer or receipt of gifts, loans, fees, rewards, or other advantages as an inducement to do something that is dishonest, illegal, or represents a breach of trust.

- **Gifts and hospitality:** All benefits given to third parties must be in accordance with local law, the Business Conduct Guidelines and the Compliance Handbook.
- **Sponsorships, donations, charitable contributions, and memberships:** Each planned sponsorship, donation, charitable contribution or membership must comply with certain rules and strategic guidelines which are set out in the Corporate Affairs principles.
- **Business Partners:** Siemens Gamesa enters business relationships with many third parties every day and, in certain circumstances, it may be held liable for the actions of certain third parties, which Compliance refers to as "Business Partners". Before establishing a relationship with Business Partners, Siemens Gamesa must take steps to create transparency and ensure that the relationship is evaluated and monitored, by performing Compliance Due Diligence (CDDs) and including certain mandatory contract provisions in the contracts.
- **Facilitation payments and payments under duress:** Facilitation payments are prohibited by the Business Conduct Guidelines.
- **High risk payments:** The high-risk payment process aims to prevent and mitigate compliance-related risks, particularly

corruption risks, related to certain types of payments and payees.

- **Customer projects:** During all stages of a project or bid preparation, compliance-related risks may arise and need to be mitigated. The Siemens Gamesa Sales organization has overall responsibility for ensuring appropriate identification of compliance risks and adequate mitigation in combination with automated risk triggers included in the project tool. A Compliance, Security and ECC (CoSECC) check, including anti-corruption, anti-money laundering and human rights questionnaires, is part of the Siemens Gamesa Sales Business Approval (SBA) process, which is applicable to all projects.
- **Compliance in Procurement:** Identifying and mitigating compliance risks in procurement at an early stage is one of the goals of the Siemens Gamesa supplier selection, qualification and auditing processes. The Company also expects its suppliers and business partners to share Siemens Gamesa's values and comply with applicable laws as laid down in the Code of Conduct for Siemens Gamesa Suppliers and Third-Party Intermediaries.

D1.6 Anti-Trust

[206-1] Violations of antitrust law represent an enormous risk for the Company and its employees, particularly in fines, damages, exclusion from public tenders and reputational harm. Therefore, Siemens Gamesa has defined and implemented an Antitrust Compliance concept based on the following principles:

- Identification of antitrust-related risks.
- Clear communication and training regarding the necessity of antitrust compliance.
- Investigation of infringements of antitrust law and the application of disciplinary sanctions.

D1.7 Anti-Money Laundering and Prohibition of Terrorism Financing

[L11-C02] Siemens Gamesa does not tolerate money laundering and terrorism financing. All employees are obliged to abide to all laws and regulations aimed at preventing, detecting and reporting money laundering, terrorism financing and related criminal activities.

The Siemens Gamesa Anti-Money Laundering (AML) module aims to create a high level of transparency in business conducted with third parties (Counterparts) and includes:

- Performance of specific due diligence, including a "Know Your Counterpart" (KYC) process.
- Monitoring procedures for potentially suspicious business relationships and forms of payment.
- Reporting of suspicious transactions or suspicious behavior of any business counterpart to the local authorities.

D1.8 Channels for Reporting Misconduct

Siemens Gamesa offers all employees and third parties protected reporting channels to report specific information about suspected compliance violations. In so doing, they help the Company to identify and eliminate misconduct and grievances and protect it against risks or harm that may result.

Compliance violations may be reported to the following:

- Manager.
- Chief Compliance Officer.
- Regional/Division Compliance Officer.
- Human Resources personnel.
- Integrity Hotline (Whistleblowing Channel, with possibility of remaining anonymous).
- Employee representatives.

Information on possible violations can be provided confidentially and anonymously, as needed, if legally permissible under local law. In addition, the Company does not tolerate retaliations of any kind against individuals who have reported compliance violations. The Compliance department examines all reports and takes appropriate measures.

D1.9 Performance in 2021

Compliance training and communication

To make sure that all Siemens Gamesa employees are aware of the compliance rules and know how to put them into practice, training is one of the key elements of our compliance system.

Due to the very nature of their functions, some employees are exposed to specific compliance risks and must be provided with regular compliance training, which may consist of classroom/online training and e-learning courses. To maintain the awareness of compliance issues, the following compliance training is available [See Table 46– Compliance training

- **Compliance Basic Training**, covering anti-corruption, anti-trust, anti-money laundering, human rights, conflict of interest, and compliance as part of other business processes. The target group covers all Siemens Gamesa employees.
- **Business Conduct Guidelines e-Learning** targeting all Siemens Gamesa employees with a valid e-mail address.
- **Compliance introduction** is part of the global Human Resources on-boarding concept.
- Global Compliance awareness and refresher course for **Managing Directors** on a yearly basis.
- Training on request to mitigate local or business-specific risks (e.g. compliance in procurement, business partners, compliance in customer projects).

In addition, management at Siemens Gamesa must ensure that all our employees are informed about relevant internal compliance rules, processes and tools and that this information is kept up to date. Hence, the Compliance Organization designs an annual compliance communication plan in order to maintain the global awareness, including activities to cover the essential aspect of tone

from the top. The plan is approved by the Audit, Compliance and Related-Party Transactions Committee and the Executive Committee.

Compliance Risk Management

In order to regularly identify, mitigate and avoid compliance risks, Siemens Gamesa has established the Compliance Risk Assessment (CRA). The CRA ensures bottom-up identification of risks in individual Siemens Gamesa units worldwide and its goal is to evaluate these risks and to define mitigation measures accordingly. The CRA creates awareness of compliance risks and strengthens cooperation between the Compliance Organization and the operational units.

The CRA is conducted every 2 years; however, effective from 2021, an additional high-risk CRA is conducted in odd years focusing on internal and external risk triggers to assess the countries with the highest compliance risk. The high-risk CRA 2021 was completed in July 2021 for China, India, Mexico and the USA. Measures to manage these risks identified in this CRA started immediately and will be finalized before the execution of the next CRA in FY22.

In addition to the CRA, compliance risks that are material in accordance with the Enterprise Risk Management (ERM) methodology are managed by ERM on a quarterly basis.

Compliance cases

[L11-H02] A compliance case is any violation of criminal and/or administrative law or Siemens Gamesa's internal regulations, such as the Business Conduct Guidelines, in the course of the business activity by at least one employee and/or a third party working on behalf of Siemens Gamesa.

All compliance allegations are first put through a plausibility check by the Compliance Officers. If the plausibility check suggests that the allegations are plausible, a mandate is issued to start an investigation on the case. When conducting the investigation, the main principles of a compliance Investigation must be adhered to.

All compliance cases reported to the Compliance Organization will either be handled by Compliance or forwarded to the relevant specialist department within Siemens Gamesa, and in certain cases mandated to an external group. All compliance cases are managed by Compliance in the internal compliance case management tool [See Table 47- Compliance cases]

[L11-SO10] **Compliance cases** may involve breaches of the law, of a Siemens Gamesa internal regulation, of accounting regulations, of fiduciary duties, or of stock market laws, as well as active corruption, antitrust violations, conflict of interest violations, money laundering or terrorist financing activities, human rights violations and retaliation on a whistle-blower.

Siemens Gamesa Group has investigated a number of allegations and indications of potential violations of internal policies and procedures, as well as of statutory laws. The investigations did mainly concern the Indian subsidiary, and a limited number of other jurisdictions. The respective internal investigations have been completed and revealed violations that have an immaterial impact in the consolidated financial statements as of September 30, 2021. In the course of these investigations a few isolated new allegations emerged which are currently investigated as new cases, but at the current stage are assessed to not be material. Should new relevant facts with regard to allegations of compliance violations emerge

relating to either the finalized, or any current or future investigations, this could result in Siemens Gamesa or its respective subsidiaries being subject to payment of damages, equitable remedies, fines, penalties, profit disgorgements, disqualifications from engaging in certain types of business as well as additional liabilities.

The **nature of disciplinary consequences** varies according to the compliance misconduct in question, and appropriate penalties are determined after considering all the material circumstances. The Compliance Organization has introduced basic principles and evaluation criteria to ensure the consistency of central and local disciplinary processes. However, not all compliance cases result in disciplinary penalties. Some compliance cases may result in, for example, the improvement of the processes in question or other similar remediation measures.

The **remediation process** ensures that weaknesses, deficiencies and compliance violations detected during compliance investigations, clarifications and other fact-finding activities are addressed. All Siemens Gamesa departments affected by a compliance case must implement the recommendations of the relevant investigation report. The Compliance Organization (at a central or local level) is responsible for the implementation, follow-up and monitoring of remediation measures resulting from compliance investigations.

Compliance Control Framework

The Compliance Control Framework (CCF) aims at ensuring the adoption and implementation of the globally applied Compliance rules. It is an integral part of the Policy & Control Master Book (PCMB), which covers all compliance-related areas, such as business partners, customer projects, gifts and hospitality, etc. These areas are assessed through the Risk and Internal Control System (R/IC), which supports the Board of Directors, Audit, Compliance and Related Party Transactions Committee⁶¹ and Executive Committee in their responsibility to manage risks effectively and provide reasonable assurance that the organization's assets are safeguarded, financial reporting is reliable, and laws and regulations are fulfilled.

All compliance-related deficiencies that are detected must be remediated before fiscal year-end, where possible. All units therefore have an obligation to organize, track and close measures, regardless of which Siemens Gamesa department has established them.

D2. Human Rights

D2.1 Management Approach

[L11-H01] [103-1] Siemens Gamesa considers respect for human rights to be an integral part of our responsibility as a global business.

Human rights are universal and every person around the world deserves to be treated with dignity and equality. Basic rights include freedom of speech, privacy, health, life, liberty and security, as well as an adequate standard of living.

To meet our responsibilities, Siemens Gamesa is a member of the United Nations Global Compact (UNGC). Its ten Principles, and the Industry All Union Global Framework Agreement⁶², are binding on the entire Company. Siemens Gamesa is committed to embracing and supporting, within its sphere of influence, the set of core values in the areas of human rights, labor standards, the environment, and anti-corruption contained in the UNGC. This applies to our employees, business partners, customers and suppliers worldwide.

Siemens Gamesa acknowledges that potential human rights issues may arise in our own operations or the value chain. We are therefore publicly committed to ensuring fair and socially responsible behavior through formal policies and processes. Respect for human rights is covered by Siemens Gamesa as follows:

- Human rights are a module of the Compliance Risk Evaluation (CRE) within the Sales Business Approval (SBA) process.
- Human rights risk is a mandatory element of the Compliance Risk Assessment (CRA).
- Human rights are part of the Code of Conduct for Suppliers and Third-Party Intermediaries, which all suppliers must adopt and comply with.
- Human rights are encompassed in our employee relations worldwide.
- Human rights form part of compliance training.
- Human rights are part of compliance reporting by the Chief Compliance Officer.

Accordingly, Company must not be involved in any human rights infringements or other adverse human rights impacts. Siemens Gamesa employees are expected to avoid infringing the human rights of others and to address the adverse human rights impacts of activities and circumstances in which the Company is involved.

D2.2 Applicable Policies & Operating Principles

[L11-H03] Siemens Gamesa's commitments in this area are firmly rooted in the **Human Rights Policy**⁶³ and in the **Business Conduct Guidelines**, which set out the fundamental principles and rules governing the way we act within the Company and in relation to our partners and society.

D2.3 Performance in 2021

[L11-H04] There is no record of any sanctions or fines related to human rights infringements in FY21.

Identification of material human rights topics

Siemens Gamesa material human rights topics represent the main human rights topics emerging from our own business operations and supply chain and are the ones that we focus on mitigating. For the reporting period, the topics were identified through an internal assessment with subject experts from supply chain, human resources and compliance.

1) Human rights in the supply chain:

- Protection of human rights, non-discrimination, respect for cultures and communities.
- Fair operating practices, anti-corruption and bribery.
- Prohibition of forced labor and child labor.
- Recognition of employees' right of free association and collective bargaining.
- Occupational health and safety standards.

2) Human rights in the workplace:

- Prohibition of discrimination.
- Fair working conditions (fair wages and decent work hours).
- Occupational health and safety standards.
- Recognition of employees' right of free association and collective bargaining.

3) Human rights in customer projects:

- Occupational health and safety standards.
- Prohibition of forced labor and child labor.
- Protection of land, property and housing rights.
- Fair working conditions.
- Protection of indigenous and local communities' rights.

Respect for human rights in the supply chain

Siemens Gamesa's suppliers must share the common goal of behaving in an ethical, law-abiding manner, as set out in the Code of Conduct for Suppliers and Third-Party Intermediaries and in the Siemens Gamesa Supplier Relationship Policy. With regard to human rights, the Code contains binding requirements for the protection of internationally recognized human rights, in particular respect for the basic human rights of employees, including fair

remuneration, freedom of assembly, health and safety standards, and prohibition of discrimination, forced labor and child labor. [See Section E3. Responsible Supply Chain for more details]

Respect for human rights in the workplace

Respecting human rights in employee relations is a core aspect of our commitment. [Section B4. Labor Relations for more details]

Human rights due diligence in customer projects

The Sales Business Approval (SBA) process is the Siemens Gamesa internal approval process for customer projects, including the development of wind farm opportunities.

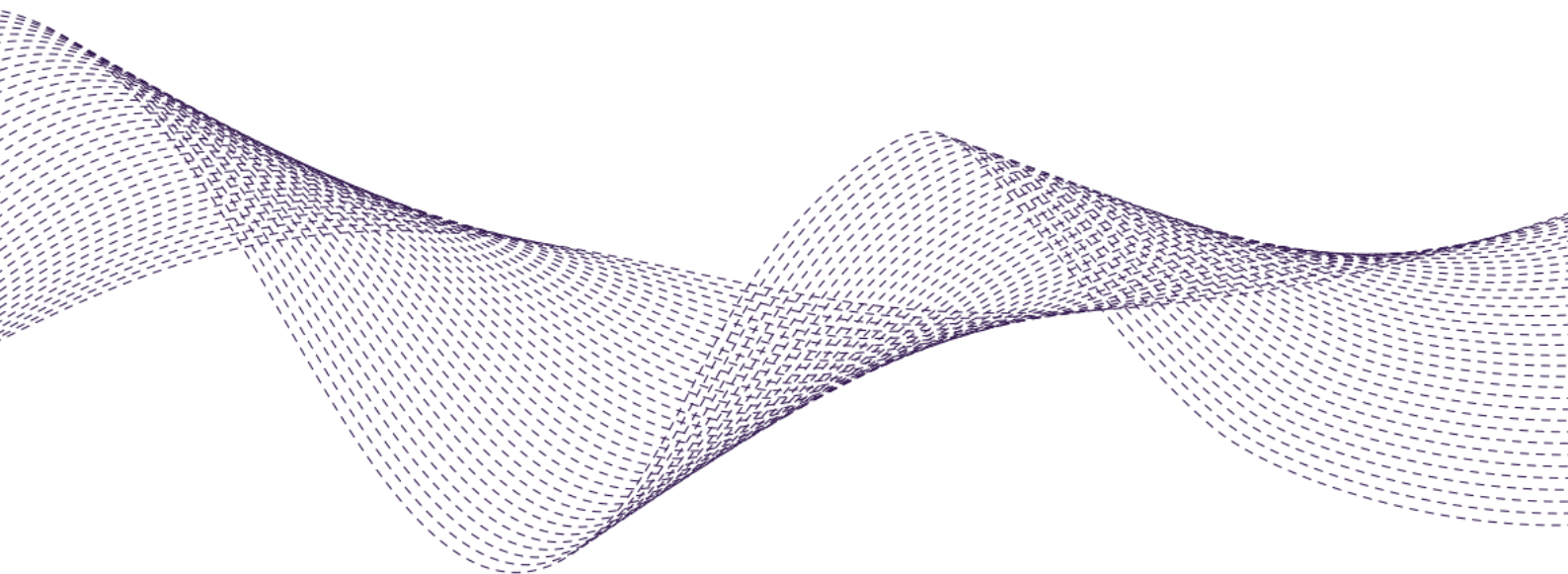
In this process, compliance is evaluated as a mandatory step through the Compliance Risk Evaluation (CRE), using pre-defined questionnaires in order to identify, mitigate and/or approve risks related to the project. If the defined risk criteria are met, a Human Rights Project Due Diligence is performed, where the project is assessed for potential human rights risks regarding its location, labor rights, local community rights, livelihoods, security details and partners. All potential risks that are identified must have a mitigation plan in place; otherwise, the project will not be approved by the CRE process.

In addition, human rights are a mandatory element of the Compliance Risk Assessment (CRA). Any human rights risks detected during the bottom-up risk assessment conducted on each Siemens Gamesa unit must have a mitigation plan, which must be implemented in the following financial year.

Grievance mechanisms and human rights-related channels

The same reporting channels as described in section D1.8 can be used to disclose human rights-related issues and queries on an anonymous basis. Siemens Gamesa is not aware of any human rights-related issues submitted via these channels in the reporting period. During FY21, Siemens Gamesa Compliance department has received one Human Rights allegation for which an internal investigation was initiated. The investigation has been finalized. No Human Rights violation could be substantiated.

E. Information about Society



E1. Social Commitment

E1.1 Management Approach

[L11-SO02] Siemens Gamesa is deeply anchored in the communities in which we operate. We see it as our duty to support them in their sustainable development. That is our business model. Long-term acceptance by local communities is our main priority, and our goal is to be an active part of their activities and their community. By contributing to the achievement of the United Nations' Sustainable Development Goals (SDG), we also meet the concerns of employees by engaging with communities through volunteer activities⁶⁴.

E1.2 Commitment to Sustainable Development

During FY21, we launched a digital platform⁶⁵ to manage all the Social Commitment projects. This platform makes a big difference and allows us to obtain important advantages from our activity.

The digital platform (our virtual office) enables us to be much more efficient, to reach more beneficiaries, to better measure our results and, additionally, to have better visibility of our strategy and commitment. Since the launch of our digital platform, we have received more than 5,400 visits.

In summary, we are prepared to get better results by helping the communities where Siemens Gamesa is present.

E1.3 Policy Framework

[L11-SO03] The Social Commitment Policy⁶⁶ caters to the Community pillar and provides the framework for any community engagement or charitable giving initiative. It defines the following primary objectives:

- Promotion of Social Commitment, including social assistance and social inclusion.
- Social aims related to sustainability, especially to climate change.
- Foster and support educational initiatives.
- Foster and support social enterprises and start-ups pursuing social aims, with the possibility of having an equity interest in such entities, subject to prior authorization of the Board of Directors.

Hence, the UN Sustainable Development Goals (SDGs) play a crucial role in Siemens Gamesa's community approach: any charitable giving initiative or community engagement must meet one or more of the UN SDGs that have been deemed as material to Siemens Gamesa's social engagement.

As described in the Social Commitment policy, Siemens Gamesa pledges to pay special attention to the most vulnerable groups. Thus, another focal point of any social action initiative or community engagement must be the group of beneficiaries. However, the value of an activity is based not only on the mere number of beneficiaries, but also on the qualitative impact the project has on vulnerable individuals or groups.

The purpose of Siemens Gamesa's Donations and Charitable Contribution Policy is to regulate donations and charitable contributions at a group level to comply with the Business Conduct Guidelines on donations and charitable contributions and with the Social Commitment Policy. This policy defines the guidelines and framework on how to proceed (initiate, assess and approve) with regard to donations and charitable contributions by Siemens Gamesa.

E1.4 Strategy & targets towards 2023. Priorities & KPIs

[L11-SO03] Our Social Commitment strategy⁶⁷ focuses on helping society through actions which are linked to the UN's SDGs, particularly SDG1 No poverty, SDG 4 Quality Education, SDG 13 Climate Action, SDG 14 Life Below Water, and SDG 15 Life on Land.

WHAT

- **Combating Poverty:** because we need to be part of the communities.
- **Technological Education:** push the talent we'll need in the future.
- **Protecting the environment:** to contribute to saving the planet.

WHY

- Long-term stability & trust in our social commitment.
- Employees' sense of belonging and motivation, strongly focused on volunteer work.
- Alignment with analysts & investors demand for improving Environmental, Social, and Governance (ESG) performance.
- Separate all social activities from the business and unify, coordinate and enhance them.

HOW

The Social Commitment department is digital, making us a pioneer in our industry. Our digital platform enables us to attain greater efficiency, reach more beneficiaries, measure and enhance our impact and connect with volunteers, partners, students and the general public (e-learning, volunteer portal, collaborator portal, events, etc.)

Figure 30. Social Commitment strategy towards 2023

These activities are independent from the business. In order to attain our goals, the Company has set out three lines in its strategy:

- Help fight poverty in the communities where we are present.
- Combat the effects of climate change.
- Promote and encourage education in technological matters, especially in STEM⁶⁸.

E1.5 Performance in 2021

Transversal Projects

Sustainable Employee and Sustainable Family

With this project we want to raise awareness of sustainability among our employees and introduce sustainable habits in daily life:

- In September 2021, we launched the DoGood app for our employees. Using this app, over a one-month period, employees received a number of challenges that address the Sustainable Development Goals related to our strategy. The aim was to enable employees to adopt sustainable habits in their daily lives. During the first round, more than 700 employees registered in the project; a new round is launched every 2 weeks.
- Another project during FY21 involved replacing plastic in our main locations. We placed glass water jugs and drinking glasses in the meeting rooms for use by employees with our main stakeholders. The goal is to avoid any use of plastic in the future.

Combating Poverty

Following our goals to fight against inequality and poverty and to meet the UN 2030 Agenda, we launched a Winter Campaign with more than twelve initiatives around the globe. Siemens Gamesa employees helped to bring some joy to neighbors, children and people in need by donating toys and clothes last winter, sending the clear message that caring for others is important not only at Christmastime/Winter but also, especially, during the pandemic. More than 17 initiatives (24,000 beneficiaries of meals, toys, sanitary products and clothing...) were implemented in Denmark, Germany, Spain, Mexico, Chile, Brazil, France, the UK and US.

During FY21, we provided relief for COVID-19 through donations of food and sanitary kits to more than 1,000 beneficiaries in Brazil and India. Through these actions we sought to relieve the burden on the healthcare system and help the communities where we are present.



Figure 31. COVID-related donations

Protecting the environment

The fight against climate change is in our business DNA, not only by reducing emissions with our turbines, but also through environmental projects and charitable giving initiatives that contribute to reducing the CO₂ footprint. At Siemens Gamesa, we believe that reforestation and cleaning up our coasts are some of the best ways to fight climate change and contribute to environmental protection.

- A mature tree absorbs 22 kg. of CO₂ per year.
- River, beach, coastal pollution endangers biodiversity.
- Over 3 billion people depend on the ocean for sustenance.

Forests of Siemens Gamesa

In FY 2021 we launched "Forests of Siemens Gamesa", which aimed to restore degraded forests around the globe. With the support of more than 600 employee volunteers, we have planted 20 forests in 10 countries (Mexico, Spain, Brazil, Germany, Denmark, France, US, UK, Morocco, China) with more than 80,000 trees in total. The aim is to raise awareness about the importance of reforestation in the fight against climate change and of protecting our forests through this opportunity to do volunteer work.

In line with the "Forests of Siemens Gamesa" project, we have created a special forest in the Amazon with 28,000 trees that were planted in the name of Siemens Gamesa employees by indigenous people from the Brazilian Amazonian rainforest. This project is employing more than 170 people from the indigenous community for three years.

Coastal Clean-ups

With the support of more than 200 employee volunteers, we have already removed a total of 11 tons of waste from lakes and coastlines in 6 countries (Spain, UK, Germany, Morocco, US and Taiwan), relieving the impact on wildlife and the damaging effects of pollution in our seas, oceans and rivers.

The purpose of the clean-ups is to engage people to remove garbage from beaches and waterways. The goal is to protect the environment, reduce CO₂ and protect biodiversity, while producing a behavioral change by making people aware and changing habits.

We have also given all our employees the opportunity to organize their own clean-ups and to join the corporate volunteer events by using the Clean Swell app. With this app, each employee can register their activity and join Siemens Gamesa groups.

Digital Clean-up Day

Twice per year, we hold a Digital Cleanup day with the NGO Let's Do It World. The first edition was launched on World Clean-up Day on September 19, 2020; because of the great response, a second edition was held on March 27, 2021, and a third on September 18, 2021. Overall, 392 tons of CO₂ were eliminated. This event will take place twice per year to maximize the results and have a better environmental impact.

More than 200 employees have participated to date.

On average, worldwide streaming online video is responsible for more than 300 million tons of CO₂ emissions per year and a single email with an attachment emits 50 grams of CO₂ ⁶⁹.

There are many documents, videos, emails and other elements that we store unnecessarily. The carbon footprint of the Internet right now is 3.7% of the world's total CO₂ emissions and that will increase to 20% in 10 years if we don't act.

4th Siemens Gamesa Impact COVID-19 Special Edition

In line with our goal of meeting the 2030 Agenda, we launched the 4th Edition Impact Project focused on social and humanitarian aid to combat poverty due to COVID-19. However, we also considered projects related to our main areas: fighting against climate change, promoting quality education, and combating poverty.

Siemens Gamesa Impact is a Company-wide initiative to bring positive change to the communities in which we operate while

heightening employee engagement. Each year, employees can propose a community engagement project related to our Social Commitment strategy. The projects are evaluated by a panel, which chooses the final projects.

The FY21 edition received 75 proposals for projects in 36 countries from 67 employees in fifteen countries. Ultimately, nine projects in eight countries were chosen. The value of these projects totaled €312,590 and they will improve the lives of an estimated 450,000 people. The winning projects were the following:

- Refood — stop waste & feed people in Telheiras, Lisbon, Portugal.
- Bokatas — fighting homelessness in Spain.
- Plan sumamos salud + economía in Spain.
- Reforestation and sustainable livelihoods response for refugees in Kenya.
- Climate action through schools! in the UK.
- Orlando science center in the US.
- Reading for social change in Brazil.
- Seguridad alimentaria in Mexico.
- Empowerment of 37 slum communities in Surat, India.

Siemens Gamesa's impact and local charitable giving initiatives around the world strengthen our link to the land and the local community, including the entities and institutions that contribute to local social development. The Company seeks to maintain stable relationships with local entities and institutions that also strive to broaden people's horizons.

Technological Education projects

"Planet Rescuers" in Minecraft: Education Edition

Siemens Gamesa wants to encourage STEM vocations by awakening the curiosity of children aged 8 to 12 with one of the tools they know best: Minecraft.

Planet Rescuers is an educational videogame in a Minecraft Education Edition in which STEM concepts are needed to overcome challenges and complete missions. Users embark on a journey about energy and sustainability through the popular Minecraft universe in which there is only one destination: a sustainable world.

"Planet Rescuers" is also available worldwide in the in-game library of Minecraft: Education Edition as part of the Siemens Gamesa agreement signed with Microsoft for the promotion of innovative tools for STEM Education.

More than 52,000 children (260 schools) are using the videogame in schools.

Robotics with First Lego League

In September 2020, Siemens Gamesa launched a program on robotics for students aged 7 to 16+ with FIRST Lego League.

This initiative gives students the chance to develop early engineering skills with real-world applications. Participants also learn how to cooperate and be proactive in their robot's performance.

This in-school program is linked to the curriculum to ensure that every student can benefit.

Launched in 2020/2021 in Germany, Spain and the United Kingdom with more than 2,300 children, Robotics with First Lego League will be implemented in Morocco and Mexico in 2021/2022.

Universities4Sustainability

Universities for Sustainability involves a number of initiatives aiming to improve students' employability by empowering them to learn by doing with engaging real challenges set by Siemens Gamesa.

Aligned with SDG 4 in the UN 2030 Agenda, addressing the technological transformation of economies while ensuring an energy transition to a low-carbon generation model will require all available talent in science, technology, engineering and mathematics.

In September 2021, Siemens Gamesa launched an annual award for undergraduate and graduate students with the United Nations **Sustainable Development Solutions Network** (SDSN). The initiative aims to mobilize university talent in a team competition to create practical solutions to achieve environmental sustainability (SDG 13) from a range of disciplinary perspectives.

In FY21, Siemens Gamesa launched "**Students for Sustainable Regions**", a project-based learning program in collaboration with the University of Aalborg and 4GUNE (Basque Country) with a single challenge "How to Achieve an Energy Transition with Sustainable Solutions". Six projects were submitted this year on challenges related to "Material and Energy Flows in a Circular Region", involving more than 200 students.

This program will also take place in four universities in Mexico during the 2021-2022 academic year.

STEM4Women

Women are still a clear minority in technical careers, despite the fact that today there are more women than men enrolled in universities.

According to the OECD, the lower presence of girls in technical careers is due to a set of factors such as less confidence in their own abilities, preference for socially oriented careers, social stereotypes and expectations, and the lack of role models.

At Siemens Gamesa, we have set ourselves the goal of changing girls' perceptions of those disciplines by demonstrating the appeal of a STEM career through mentoring programs with Siemens Gamesa professionals.

- TECHMI-Siemens Gamesa Competition: A competition to promote STEM education among girls aged 8-12 with "Planet Rescuers" in collaboration with Real Academia de Ingeniería (Royal Academy of Engineering of Spain).
- In 2021, five Siemens Gamesa employees volunteered in a series of mentoring sessions with young women in the final years of their bachelor's or master's programs at Spanish universities to improve their confidence and skills and facilitate their incorporation into the workforce.

Teens4STEM

#Teens4STEM brings teenagers closer to the reality of experimentation by addressing real-life challenges with their own solutions, building their talent and organizational capabilities for today and the future.

Our goal is to help them discover, with the help of our employees, the opportunities that a STEM career can offer.

2021 projects:

- **FS Ingenium.** A young scientific team based in Sarriguren (Navarra, Spain) won the Global Innovation Award in San Jose, California (U.S.), an international competition for technical projects developed by children. It was the first time a non-American team won.

In 2021, Siemens Gamesa supported them in pursuing their passions with an industry-level project for real-world application in the renewable energy sector.
- **IES Plaza de la Cruz:** A proposal to participate in the implementation of a research baccalaureate in a secondary school in Pamplona (Navarra, Spain). Students will solve a real-world challenge proposed by Siemens Gamesa to promote scientific thinking and research work as if it were their first job.
- **Schule am Dobrock (Germany):** A comparative study on the water quality of local streams as part of an EU project with students from Sweden (Kattegattgymnasiet in Halmstad).

#HackSTEM

Siemens Gamesa launched a hackathon in October 2020 to promote STEM education in a sprint-like event where university students were invited to design a videogame for younger students in which STEM concepts are key to progressing and on the subject that concerns them most, namely sustainability. There were more than 250 participants in this edition.

In 2021, we launched the second edition, #HackSTEM21, an online event that went live in Germany, Denmark, Mexico, Egypt and Spain simultaneously from September 21 to 26, 2021. The challenge is to create a user-friendly app to improve students' learning experience in STEM.

The competition was preceded by a series of webinars with universities from each country on topics related to the role of innovation in STEM education to promote STEM careers. More than 800 people participated in this edition.

#Teaching Future

An initiative launched during the COVID-19 pandemic to help students aged 6 to 18+ acquire STEM knowledge while learning about renewable energy, wind power and digitalization through videos recorded by employees who volunteered their time during the pandemic.

Social Commitment has decided to keep the initiative live until further notice so as to create a library of videos for students and teachers.

Local Projects

At Siemens Gamesa, we are committed to the communities in which we operate. That is why we also engage in local projects to meet their specific needs and promote sustainable social and economic development. The Social Commitment Area unifies and coordinates these activities to maximize their efficiency and visibility.

Measuring the social return on investment

Siemens Gamesa partnered with the University of Deusto in Bilbao, Spain to assess the Social Return on Investment (SROI) of the projects funded by Siemens Gamesa Impact, the Company's global charitable giving initiative. SROI measures the effectiveness of how the funds invested in these projects have been used. It is obtained by calculating a ratio using Integrated Social Value, which is the consolidation (sum without duplication) of the value distributed to economic players (workers, suppliers, etc.), and the value to beneficiaries (usually through non-market mechanisms). The SROI for the projects implemented in 2018-19 was calculated at €5.54, which means that the amount spent on the projects by Siemens Gamesa yielded a 5.54-fold social return.

Investments

[L11-C03] [102-13] The Company has protocols in place for the oversight of donations and charitable contributions for actions of a social nature. By means of these protocols, all contributions of social content, donations and fund allocations are assessed to mitigate compliance risks. In FY21, Siemens Gamesa's total donations and charitable contributions amounted to €0.79 million (€2.90 million in FY20). Most of these investments were made in Europe, Middle East and Africa (60%), followed by Asia, Australia (39%) and Americas (1%).

That overall amount includes all local donations and charitable contributions. However, the bulk of funds are managed directly by the Social Commitment Area, which centralizes and directly manages social projects and the allocation of funds, not only through donations and charitable contributions but also through service agreements and partnerships.

In FY21, Social Commitment investments, i.e. all community investments through agreements and partnerships, amounted to € 0.97 million, including related projects in all the areas: Protecting the environment (29%), Technological Education (29%), General Projects (5%) and Combating Poverty (37%).

E2. Memberships and associations

E2.1 Management Approach

[L11-SO04] [102-13] As a global leader in the renewable energy industry, Siemens Gamesa fosters policies and frameworks for a more sustainable future by sharing its experience with key stakeholders globally. This capacity building activity is conducted through the associations and initiatives of which Siemens Gamesa is a member. Some of the actions that it performs include:

- Sharing information about positive case studies in developing local value chains globally, engaging with communities while helping countries to achieve climate targets.
- Contributing with our global experience to building the skeleton of legal frameworks that may pave the way to achieving national climate goals while providing private investors with long-term visibility and market attractiveness.
- Setting ambitious targets for renewable energies' share of the energy mix; the elimination of technical, bureaucratic and market constraints that limit the growth of wind power.
- Promotion of R&D and innovation.
- Capacity building through engagement with universities and training centers.

All these actions establish Siemens Gamesa as an industry champion in the renewable value chain.

E2.2 Policy Framework for Memberships & Associations

The purpose of the Group's Membership of Associations Policy ("POL-51819 Membership of Associations") is to set out the requirements for the registration and approval of Company and individual memberships in associations (such as chambers, clubs, institutions, trade bodies, standards organizations and other professional organizations) in accordance with Siemens Gamesa Business Conduct Guidelines; in particular:

- To ensure proper coordination and dissemination of the strategy and key messages of Siemens Gamesa ("Strategy"), established by the Company's governing bodies in all relevant associations (sector-specific or otherwise), and entities in which Siemens Gamesa is represented (referred to as "associations").
- Concerning Associations, to establish a common global policy for ensuring alignment and governance of the following issues:
 - Definition of the responsibilities for validation of the proposals of each association and designation of the person to represent Siemens Gamesa in any specific entity.
 - Knowledge of the reasons, objectives and the economic cost of the association proposal.
 - Legal validation: for compatibility with the pertinent laws and with regard to Siemens Gamesa's representation in the association and in its governing bodies.

The policy for associations and memberships regulates all the requests for Siemens Gamesa to become a member of any association worldwide.

E2.3 Global Action

The Company participates actively in both industry-specific and business associations and organizations in every significant location where it operates.

Siemens Gamesa is member of the main industry associations worldwide: GWEC – Global Wind Energy Council-, Windeurope, American Clean Power Association, Indian Wind Turbine Manufacturers Association, ABEEOLICA (Brazil), AMDEE (Mexico), CANWEA (Canada), VDMA (Germany), Confederation of Danish Industry (Denmark), Wind Denmark (Denmark), SAWEA (South Africa), AEE (Spain), Renewables UK (UK), RES4AFRICA FOUNDATION and RenewAfrica initiative (Africa), IRENA Coalition for Action (global), Offshore Wind Coalition (offshore wind global), French Wind Energy Association (France), Syndicat des Energies Renouvelables (France), EU Chamber of Commerce in China, Japan Wind Energy Association, Korean Wind Energy Association, Clean Energy Council (Australia), etc.

Additionally, in FY21 we played an active role in the following initiatives:

- Africa Europe Foundation⁷⁰.
- US Climate Action Week: "International Strategies for Unlocking Green Hydrogen in the US"⁷¹.
- An open letter from the wind energy industry to G20 and world leaders: It's time to get serious about renewables⁷².
- Global Wind Coalition for COP26 is officially launched on Global Wind Day⁷³.
- WE MEAN BUSINESS COALITION: Letter by 600+ companies calling on G20 leaders to halve emissions by 2030 and to end support for coal power⁷⁴.
- GWEC: Global Wind Energy Manifesto for @COP26⁷⁵.
- B20 Energy & Resource Efficiency Task Force⁷⁶.
- GWEC Led Offshore wind podcast series, which looks at the issues facing the offshore wind industry today, and opportunities for tomorrow⁷⁷.
- Offshore coalition⁷⁸.
- Renewable Hydrogen Coalition⁷⁹.
- European Clean Hydrogen Alliance⁸⁰.
- European Raw Materials Alliance (ERMA)⁸¹.
- We Mean Business letter to the Biden Administration⁸².

E2.4 Performance 2021

The initiatives set out below exemplify those undertaken in FY21:

- Siemens Gamesa is also leading the green hydrogen revolution, which will decarbonize hard-to-abate sectors and unlock further potential for wind power. With a pioneering project in Brande (Denmark), Siemens Gamesa joined the two main renewable hydrogen initiatives to advocate for the creation of a green hydrogen market in Europe: the European Clean Hydrogen Alliance and the Renewable Hydrogen Coalition.
- The **European Clean Hydrogen Alliance** aims at an ambitious deployment of hydrogen technologies by 2030, bringing together renewable and low-carbon hydrogen production, demand in industry, mobility and other sectors, and hydrogen transportation and distribution. With the alliance, the EU wants to build its global leadership in this domain to support the EU's commitment to reach carbon neutrality by 2050. The Alliance brings together industry, national and local public authorities, civil society and other stakeholders.
- The **Renewable Hydrogen Coalition** promotes the critical role of renewable hydrogen to deliver the EU's long-term decarbonization goals. The Coalition is the voice of a high-level interdisciplinary network of start-ups, investors, entrepreneurs, innovative companies and industrial off-takers, all dedicated to making Europe the global leader in renewable hydrogen solutions.
- Ahead of COP26, Siemens Gamesa joined the **Global Wind Energy Coalition for COP26**, an initiative led by the Global Wind Energy Council (GWEC); this is a multi-stakeholder group of leading wind power companies and associations from across the globe committed to ramping up wind power capacity to limit the dangerous impacts of climate change. The world is not installing wind power at the pace needed to achieve net zero, and much more needs to be done to unleash its potential. The Coalition was launched officially on Global Wind Day, June 15; since then, it has engaged in continuous advocacy work. Two tangible examples are the letter addressed to G20 leaders in July ahead of the G20 Ministerial Sessions on Environment, Climate and Energy, held in Naples on July 22-23, 2021, and the Wind Energy Manifesto launched on October 18. The Coalition will be present with the Wind Pavilion at COP26 in the Blue zone.

E2.5 Membership Fees

Siemens Gamesa was an active member of about 200 organizations and associations around the world in FY21, which amounted to a total expenditure of €3.0 million (€3.6 million in FY20) in membership fees. The relationships of Siemens Gamesa and the companies which belong to the Group with public authorities are guided by institutional respect and compliance with the law. [See [Table 48 - Expenses in memberships and associations \(€million\)](#)]

E2.6 Lobbying Activities

Siemens Gamesa does not make direct financial contributions to lobbying activities. We present our position in the public discourse mainly through contributions to trade and business associations. Siemens Gamesa is unable to ascertain what percentage of our contribution to the many trade associations with which are involved is allocated to lobbying, nor can we provide an estimate. As an alternative, we report our expenditure on actions directly performed by Siemens Gamesa which may indirectly influence public policy on the specific topics that these actions address.

E2.7 Political Contributions

Siemens Gamesa does not make direct political contributions. Our Business Conduct Guidelines specifically forbid companies belonging to the group from directly or indirectly making donations to political parties, including federations, coalitions and voter groups, even by way of loans or advances.

E3. Responsible Supply Chain

E3.1 Management approach

[102-9] [103-1] Our sustainable supply chain management approach integrates environmental, social and governance aspects. We closely monitor sustainability risks in order to avoid negative impacts resulting from our supply chain. We also view sustainability performance as an important aspect since we encourage and incentivize our suppliers to not only comply with legal requirements but to create additional value by embedding sustainability in their operations.

This approach is grounded in Siemens Gamesa's Supplier Relationship Policy⁸³, the Code of Conduct for suppliers and Third-Party Intermediaries⁸⁴, the General Purchasing Conditions⁸⁵ and our internal rules and procedures, as they all set minimum expectations for suppliers, integrate the Principles of the UN Global Compact on Human Rights, Environment and Anti-Corruption and provide fundamental guidance for our business activities.

E3.2 Risks and Opportunities in the Supply Chain

As part of our due diligence process, we have identified the following risks in our supply chain:

- Human rights abuse.
- Unfair operating practices, such as corruption and bribery.
- Forced and compulsory labor and child labor.
- Occupational hazards for health and safety.
- Environmental impacts.
- Conflict minerals.

In order to mitigate these risks, we have developed principles, a sustainability supply chain strategy and related targets. The following chapters outline each step in more detail, focusing particularly on conflict minerals, rare earth elements and balsa wood.

In the course of this integration, we also see opportunities for our supply chain, our stakeholders, society and ourselves:

- We promote sustainability across all suppliers as we see a positive link between sustainability, resilience and economic performance. Accordingly, we contribute our accumulated knowledge for the purposes of a common understanding and awareness of the inherent cause-effect relationships.
- We work with sustainability best-in-class suppliers to learn from each other.
- To accelerate our impact, we also work with current sustainability laggards to help them find the right focus and improvements on their journey.

E3.3 Supply Chain Strategy and Targets

Our sustainable supply chain strategy focuses on two levels: suppliers and products. At the supplier level, we are continuously promoting the implementation of standards and processes to

promote sustainability as a core parameter of suppliers' business activities. Here, we anticipate utilizing risk and performance assessments to identify critical areas and incentivize achievements as well as continuous improvements. The assessments range from a broad set of criteria covering social (e.g. human rights), environmental (e.g. decarbonization, recyclability) and governance aspects. At the product level, we aim to foster transparency on raw materials in complex supply chains and to assess the related impacts of our sourced goods and services on society and environment. Jointly, we aim to continuously improve sustainability on both levels.

Sharing the commitment to society alongside the supply chain, we aspire to the following:

- By 2023, 100% of our suppliers — in terms of purchasing volume (PVO) — accept the Supplier Code of Conduct.
- By 2023, 90% of high sustainability risk suppliers assessed and/or audited based on total purchasing volume (PVO) from high sustainability risk suppliers.
- By 2025, 30% of suppliers, covering the categories of purchased goods and services as well as transportation and distribution, commit to targets that reduce greenhouse gas (GHG) emissions and are considered "science-based" in line with the Science Based Target initiative (SBTi).

E3.4 Sustainability Governance

[L11-SO05] Our message to suppliers is that they need to share our common goal of operating in an ethical, law-abiding manner. The Group has therefore established a specific policy governing supplier relation and contracting which provides a group-wide framework for the management and oversight of procurement activities: the **Siemens Gamesa Supplier Relationship Policy**.

The **Code of Conduct for Suppliers and Third-Party Intermediaries**⁸⁶ (also commonly referred to as "the Code of Conduct") is the key vehicle that sets out the Group's binding requirements and translates our requirements into contractual obligations.

The Code of Conduct is based on, among others, the UN Global Compact and the principles of the International Labor Organization, the principles of the Rio Declaration on Environment and Development, the Electronic Industry Citizenship Coalition® Code of Conduct, WindEurope® Industry Principles and ISO standards. It also reflects the Siemens Gamesa internal Business Conduct Guidelines, which reinforce the fundamental principles of sustainability and apply company wide.

The Code establishes standards to ensure that working conditions in the supply chain are safe, that workers are treated with respect and dignity, and that transactions with suppliers are ethical and socially and environmentally responsible. The Code remains independent and is updated on a regular basis to reflect the standards of Siemens Gamesa in its dealings with suppliers.

Siemens Gamesa promotes the Code to all suppliers and requests that all our suppliers and third-party intermediaries adopt it and

comply with it and all applicable laws and regulations. The Code of Conduct is incorporated into our General Purchasing Conditions, framework contracts and purchase agreements with each supplier, and into our procurement tools.

Siemens Gamesa also released the **Booklet for the Code of Conduct for Suppliers and Third-Party Intermediaries** ⁸⁷ (commonly referred to as “the Code of Conduct Booklet”). This comprehensive material documents in detail our expectations towards our suppliers in each requirement presented in the Code of Conduct and provides important support for our sustainability detection modules. The Code of Conduct and the Code of Conduct Booklet are the result of work performed by the Supplier Lifecycle Management and Sustainability community, which Siemens Gamesa established in 2017. The group has representatives in external communities, such as the WindEurope® Sustainability Task Force, and is engaged in material sustainability topics.

Our sustainability performance is monitored continuously and has been recognized by leading sustainability indexes and ESG rating agencies. Information on Siemens Gamesa’s inclusion in ESG indexes and the latest ESG ratings is available on our corporate website and in Section A.7 of this report.

E3.5 Mapping the Siemens Gamesa Supply Chain

[102-10] In FY21⁹⁸, Siemens Gamesa purchased almost €6.9 billion (€7.3 billion in FY20) from approximately 19,000 Tier-1 suppliers (*Suppliers that deal directly with and directly invoice to Siemens Gamesa*). These suppliers were screened impartially and assessed for high-level compliance with our excellence value requirements [See Table 50 - Purchasing volume] and [See Table 51 - Tier-1 suppliers]

The number of suppliers whose annual invoicing exceeded €10 thousand at the end of the reporting cycle (FY21) amounted to 9,962 (9,449 in FY20), i.e. 51% of total Tier-1 suppliers, which is an indication of the balance between large and small suppliers. Additionally, we identified other categories of procurement spend and categories that are critical to our business operations in terms of little or no availability of alternative options and the impact of supply chain disruption.

Critical suppliers: Siemens Gamesa also monitors **critical suppliers**, identified as those meeting the following conditions: i) the purchasing volume (PVO) exceeds €50,000; ii) they operate or are based in a high-risk country (from a corporate responsibility perspective); iii) there is high or medium-high financial risk with the supplier; or iv) no natural replacement is available for the supplier.

In FY21, critical suppliers classified under these conditions accounted for 34% (31% in FY20) of total purchasing volume to approximately €2.3 billion (€2.3 billion in FY20). [See Table 52 - Purchasing volume (PVO) under sustainability focus]

High sustainability risk suppliers: Additionally, Siemens Gamesa keeps track of high risk suppliers from a sustainability point of view, identified because they: i) operate or are based in a high-risk country; ii) have incidents of non-compliance; or iii) do not participate or have a “low” score in the Code of Conduct compliance detection modules (sustainability self-assessments, external sustainability audits and Supplier Quality audits with sustainability scope). Suppliers with proven incidents of non-compliance with any sustainability aspect are considered “high sustainability risk” suppliers regardless of their location.

Suppliers identified as having high sustainability risk to Siemens Gamesa in FY21 accounted for 22% (16% in FY20) of total purchasing volume to approximately €1.5 billion (€1.2 billion in FY20). [See Table 52 - Purchasing volume (PVO) under sustainability focus]

E3.6 Sustainability Integration in the Supply Chain

The processes and tools available at Siemens Gamesa provide buyers with levers, risk indicators and transparency to support the best sourcing decisions. Risk screening is based on financial analyses and commodity reports provided by external consulting companies, which feed indicators into our internal supplier comparison tool.

Processes and tools put into place by the Supplier Lifecycle Management team are also used to gather supplier information for other functions and allow for direct communication. The information collected from the supplier can trigger additional activities in terms of hazardous materials declarations, contractor safety assessments and other health, safety and environment (HSE) related aspects.

Any suppliers that fail to meet our sustainability requirements may be approved conditionally (if the issues are not critical) upon implementation of improvement measures or blocked immediately from doing any further business with Siemens Gamesa.

[308-1] Since our suppliers play a critical role in our sustainability-oriented value chain, Siemens Gamesa expects them to also demonstrate their commitment to the standards and principles which are summarized in the Code of Conduct.



Figure 32 - Sustainability in the supply chain

E3.7 Commitment to the Code of Conduct

[L11-SO06] An integrated supplier management process is embedded company-wide in unified, mandatory procurement processes and a key part of this is ensuring that our suppliers agree contractually to adhere to the Code of Conduct. We developed a system of contractual obligations to ensure that all our suppliers commit to its requirements:

- **Qualifying suppliers:** Within our Supplier Qualification process, all suppliers need to overcome several preliminary requirements, one being the commitment to our Code of Conduct.
- **Negotiating contracts:** all new and extended procurement contracts need to include the Corporate Responsibility contract clause, which commits the supplier to our Code of Conduct and also defines self-assessment and audit rights.
- **Purchase orders:** to complete the system and to address small procurement volumes which might not be covered by explicit procurement contracts, all purchase orders include the Code of Conduct commitment in the General Purchasing Conditions.

Siemens Gamesa requires its suppliers to commit to the Code of Conduct for Suppliers and Third-Party Intermediaries. In FY21, the total purchasing volume (PVO) from suppliers that have accepted the Code of Conduct was 89% of the total (85% in FY20), an indication of the degree to which these oversight measures are in place. [See Table 54 - Purchasing volume (PVO) covered by Supplier Code of Conduct]

E3.8 Detection Modules

[L11-SO07] In response to the supply chain risks identified in chapter E3.2, Siemens Gamesa implemented a risk-based due diligence process to identify any areas of non-compliance with our Code of Conduct and highlight opportunities to promote improved performance. This includes systematic screening of new and existing suppliers through background checks and risk assessments associated with the sector and the countries where we operate. For example, external reports provide us with information on geopolitical, commodity and financial risks. If relevant, suppliers are selected to go through one or more detection modules, e.g. the case of high sustainability risk suppliers.

- **Corporate Responsibility Self Assessments (CRSA):** the supplier receives a Code of Conduct questionnaire and provides its own assessment of fulfilment of the Code of Conduct requirements. The questionnaire is available on Siemens Gamesa's own platform or submitted by a third party on behalf of Siemens Gamesa.
- **Supplier Evaluations:** to ensure that suppliers continuously comply with our performance requirements in the course of the supplier relationship, performance of existing Siemens Gamesa suppliers is evaluated regularly based on standardized criteria as stipulated by ISO standards. The supplier evaluation is performed at least once a year, the scope being our principal suppliers. The evaluation is carried out by collaborative cross-functional teams and results in a standardized classification which ranges from "Excellent" to "Phase out" status.
- **External Sustainability Audits:** Siemens Gamesa engages internationally recognized audit firms to conduct on-site audits based on the principles of the Code of Conduct. The outcome is an in-depth assessment and report that enables Siemens

Gamesa and its suppliers to identify and manage potential sustainability risks. External Sustainability Audits also play an important role in the supplier development scheme by improving the supplier's sustainability performance.

- **Supplier Quality Audits with Sustainability Scope:** as part of our internal Supplier Qualification and Audits processes, audit questionnaires have been devised to include the scope of the Code of Conduct and are applied to suppliers that are critical from a quality perspective.

In FY21, Siemens Gamesa ensured that 85% (77% in FY20) of its purchasing volume (PVO) from high sustainability risk suppliers was covered by at least one of the detection modules mentioned above.

E3.9 Consequences of Deviations

If areas of non-conformity are identified, the supplier and Siemens Gamesa will collaborate and agree on an action plan consisting of appropriate improvement measures. These will mitigate and eliminate the adverse impacts caused by the breaches and enable the supplier to identify and prevent similar occurrences in the future. We require our suppliers to engage actively in these activities without reservation.

All measures put in place after inspections are incorporated into the company-wide supplier management process at Siemens Gamesa and are systematically selected and pursued. The implementation of the measures impacts the supplier's annual performance rating and the assessment of the supplier's future potential, as well as the approval of the supplier within the regular supplier qualification process.

Any breaches may be reported at any time by using the Group Compliance Whistleblowing Hotline. If any breaches are confirmed, systems are in place to communicate with the Procurement community as well as with any cross-functions and stakeholders that are affected. If necessary, the offending suppliers are blocked globally.

E3.10 Conflict minerals

We are committed to ultimately avoiding the use of minerals from conflict and high-risk areas which are affected by the risks defined in Annex 2 of the OECD Due Diligence Guidance⁸⁸.

Conflict Minerals are defined as cassiterite, columbite-tantalite, gold, wolframite, and their derivatives, or any other minerals or their derivatives (3TG i.e., tantalum, tin, tungsten, the ores from which they originate, and gold) that may be used to finance the conflict in the DRC (Democratic Republic of Congo) region.

We are committed to responsible sourcing of minerals, especially from conflict or high-risk areas according to the OECD Due Diligence Guidance, Edition 3, Annex II.

Accordingly, we have detailed our commitment in Responsible Minerals Sourcing at Siemens Gamesa⁸⁹.

Together with our main shareholder, Siemens Energy, we aim to avoid the use of these minerals within our supply chain.

Together, we are conducting a uniform enterprise-wide process to determine the use, source and origin of the relevant minerals in our supply chain (Supply Chain Due Diligence), including the

Responsible Minerals Assurance Process (RMAP) as part of the Responsible Minerals Initiative (RMI).

The advantageous position of Siemens Energy as an active member of the Responsible Mineral Initiative (RMI) gives Siemens Gamesa access to Reasonable Country of Origin Information (RCOI) on a smelter level. We purchase 3TG from conformant smelters when these minerals are necessary to manufacture our products. In order to mitigate the risk of working with suppliers whose smelters have not been audited by RMI so far, Siemens Gamesa actively engages with RMI's Responsible Minerals Assurance Process.

E3.11 Rare Earth Elements

Rare earth elements (REEs) are a group of 17 metals that are moderately abundant in the earth's crust — some even more abundant than copper, lead, gold, and platinum — and share certain unique properties, including heat resistance and high electrical conductivity. These characteristics make REEs essential to many products, ranging from smartphones to more advanced technologies, particularly green technologies. The manufacture of magnets represents the single largest and most important end use of REEs for Siemens Gamesa. While REE reserves can be found worldwide, China supplies most of global REE demand.

The wind industry needs REEs for permanent-magnet synchronous generators (PMSGs) employed in some wind turbine models. In this connection, Siemens Gamesa purchases magnets that contain REEs, but does not directly purchase any rare earth elements. Our suppliers of magnets that contain rare earth elements are relatively small and represent a marginal amount. These suppliers are in the high sustainability risk category and are subject to all related actions to enforce adherence to the Code of Conduct.

Siemens Gamesa works continuously to improve the design of its direct drive generators in order to optimize the use of all materials, including rare earth permanent magnets. Siemens Gamesa aims to reduce and eliminate the use of heavy rare earth elements (Dysprosium and Terbium) in permanent magnets in order to strengthen the products' economic, environmental, and social sustainability.

E3.12 Balsa Wood

Balsa wood is a quick-growing resource that is easy to grow without fertilizers or other added resources. Consequently, it can be grown sustainably. Balsa is a weed tree where it is native and has a relatively short life span. Sometimes, it self-sows in inconvenient spots. Therefore, it can be plantation-grown, harvested, and grown again without negative environmental impacts. Balsa reproduces easily and reaches a circumference of approx. 90 cm. (diameter 30

cm.) and a height of about 18-25 meters in 5-6 years. Therefore, it is a source which renews itself constantly. The wood is grown almost exclusively in Ecuador, Indonesia and Papua New Guinea (PNG).

Balsa wood is classified as a hardwood and is soft, light and adaptable. These properties make balsa wood ideal for many applications that require a high stiffness-to-weight-ratio, including structural cores of wind turbine blades, but also marine and other mobility applications.

In general, we can confirm that it is not an endangered resource, nor does it give rise to situations of systemic violation of human rights.

Our goal is to purchase balsa wood that has been responsibly sourced in order to fight illegal logging, which is one of the largest causes of deforestation.

Therefore, the suppliers used are certified by Forest Stewardship Council (FSC), or DNV-GL or similarly certified, have signed our Code of Conduct and are monitored regularly.

E4. Responsible Tax

E4.1 Management Approach

[L11-SO11] The responsible tax practices of all Siemens Gamesa Group companies form part of the global Corporate Social Responsibility Policy, which contains the basic principles of action that must be observed. The taxes paid by the group in the countries and territories where it operates constitute the main contribution made by group companies to supporting public obligations and are, therefore, one of the group's contributions to society.

The aim of Siemens Gamesa's tax strategy is to ensure compliance with the tax provisions applicable in all the territories where it operates, on the basis of its activities. This fundamental objective to respect and to comply with tax rules is properly combined with pursuing the corporate interest and generating shareholder value sustainably over time whilst avoiding tax risks and inefficiencies in the implementation of business decisions.

E4.2 Policy Framework

Siemens Gamesa aims to fulfill its tax obligation in all territories in which it does business, and to maintain an appropriate relationship with the relevant tax authorities. In order to include that commitment to fulfill, develop and implement good tax practices within the Corporate Governance Rules of Siemens Gamesa, the Company's Corporate Tax Policy⁹⁰ postulates the following practices:

- a) Prevention of tax risk. In carrying out its business, Siemens Gamesa follows an orderly, diligent tax policy that is materialized in the commitment to:
 - Encourage practices that lead to the prevention and reduction of significant tax risks through internal information and control systems.
 - Avoid the use of artificial and/or opaque structures for tax purposes, the latter being understood as those used to keep the competent tax authorities from knowing the final party responsible for the activities or the ultimate owner of the property or rights involved.
 - Not to set-up or acquire companies residing in tax havens for the purpose of evading tax obligations.
 - Minimize conflicts arising from the interpretation of applicable legislation using instruments established for this purpose by tax regulations.
 - Properly evaluate, in advance, investments and transactions that, *a priori*, present a particular tax risk.
- b) Relations with the tax authorities. The Company's relations with the competent tax authorities are governed by the principles of transparency, mutual trust, good faith and fidelity, with Siemens Gamesa adopting the following good tax practices:
 - Cooperate with the competent tax authorities in detecting and seeking solutions regarding fraudulent tax practices that may occur in the markets in which the Siemens Gamesa group has a presence, to eradicate those already existing and prevent their expansion.

- Provide tax-related information and documentation requested by the competent tax authorities as quickly and completely as possible.
 - As far as possible, use all facilities afforded, given the adversarial nature of the audit procedure, and strengthen agreements with, and approvals by, the competent tax authorities.
- c) Reporting to the Board of Directors. The Company's Audit, Compliance and Related Party Transactions Committee has the following reporting duties regarding tax issues:
- Prior to the formulation of the annual accounts and the submission of the corporate income tax return, inform the Board of Directors of the tax standards applied by Siemens Gamesa during the financial year, particularly the level of compliance with this policy.
 - Based on the information received from the tax director, inform the Board of Directors of the tax policies applied by the Company and, in the case of transactions or issues that must be submitted to the Board of Directors for approval, of their tax consequences if they constitute a significant risk factor.
- d) Reporting to the market on compliance with the good tax practices endorsed by this policy. The Company's annual corporate governance report reports on actual fulfilment of good tax practices by Siemens Gamesa.
- e) Update of good tax practices. Good tax practices may be updated by the Board of Directors of Siemens Gamesa within the context of its commitment to continuous improvement of its Corporate Governance Rules.

In March 2017, Siemens Gamesa voluntarily adopted the Code of Good Tax Practices of July 20, 2010, which creates a framework for a cooperative relationship between the Spanish Tax Agency (*Agencia Estatal de Administración Tributaria*) and the companies that have adopted it, based on mutual trust and transparency.

Furthermore, in compliance with the provisions of the Annex to the Code of Good Tax Practices and with the aim of reinforcing its commitment to tax transparency, Siemens Gamesa submits an "Annual Tax Transparency Report for companies adhering to the Good Tax Practices Code" to the Spanish Tax Agency.

E4.3 Tax Strategy

The tax strategy focuses on compliance and efficiency. Siemens Gamesa conducts tax planning to the extent required to secure efficient handling of taxes within the constraints of tax law. The Company does not conduct any aggressive tax planning activities and aims for an open and transparent relationship with the tax authorities and to be transparent towards other external stakeholders.

The presence of Siemens Gamesa in countries considered as "non-cooperative jurisdictions for tax purposes" is solely and exclusively due to ordinary business activities. In FY21, the only two subsidiaries established in "non-cooperative jurisdictions for tax purposes" in accordance with the Spanish regulations were

Siemens Gamesa Renewable Energy, Ltd. (Mauritius), which is 100% owned and was incorporated on May 2, 2015, and the branch of Siemens Gamesa Eólica S.L. in Jordan, established on January 1, 2016. Both entities are involved in wind turbine maintenance activities for customers who own wind farms located in those jurisdictions. The turnover of these entities is not material compared to the total turnover of Siemens Gamesa group (€0.2 million in Mauritius and €2.6 million in Jordan).

The income obtained by such entities is subject to corporate income tax at a nominal tax rate of 15% (Mauritius) and 20% (Jordan). In the case of Jordan, as it is a permanent establishment of a Spanish entity located in a "non-cooperative jurisdiction for tax purposes", the profits each year are also reported as part of the tax base in Spain. Therefore, ownership of these entities does not provide any tax advantage.

E4.4 Performance in 2021

[L11-SO11] [L11-SO12] In FY21, 80% of the group's taxes (84% in 2020 and 73% in 2019) were paid by entities located in the top nine countries: Denmark, Spain, China, Great Britain, Brazil, Germany, Mexico, India and the United States.

In FY21, in compliance with the provisions of the Code of Good Tax Practices of the Spanish Tax Agency and of the Proposal for reinforcing good fiscal transparency practices among companies adhering to such Code, on September 24, 2021, Siemens Gamesa voluntarily submitted the "Annual Tax Transparency Report" for FY20 (October 1, 2019 - September 30, 2020). In that report, the Company disclosed that, in February 2020, Siemens Gamesa was certified in accordance with the UNE 19602 Spanish standard on tax compliance by AENOR.

AENOR certified Siemens Gamesa's tax management system, policies and risk management framework in accordance with the requirements of the UNE 19602 standard⁹¹. That standard is intended to help organizations implement policies and procedures that minimize the risk of tax non-compliance. In the event of a disagreement, it also serves as proof to the Spanish Tax Agency and the courts of the absence of an intention to defraud. We were the first company in the renewable energy sector to obtain this certificate. The standard is an ideal mechanism for listed companies to comply with the tax management obligations contained in the tax regulations and the Code of Good Tax Practices.

From an ESG perspective, there is growing concern among certain stakeholders (customers, employees, suppliers, communities and shareholders) about tax contributions. Listed companies must prove to investors that they are properly contributing to society by paying taxes. This certification is important to prove to these stakeholders that Siemens Gamesa continues to fulfill its tax obligations properly.

Additionally, in FY21, the Company met with Spanish Tax Agency representatives on February 25, 2021, to analyze the content of the "Annual Tax Transparency report" related to FY19 (filed on July 9, 2020) and, in March 2021, the Company received a letter from the Spanish tax authorities confirming the suitability of all the information submitted and thanking it for its cooperation, collaboration and transparency. [\[See Table 6 - Breakdown by country of profit \(loss\) and taxes paid \(million euro\)\]](#)

E4.5 Public Subsidies Received

[L11-SO13] [201-4] Siemens Gamesa was granted publicly funded aid for its R&D activity in FY21 totaling €9.5 million (€15.24 million in FY20). This public funding includes both non-refundable grants and refundable loans.

The Company's main R&D funding programs and bodies in FY21 included: H2020 (European Commission), Innovation Fund (Denmark), Centre for the Development of Industrial Technology (Spain), Federal Ministry of Education and Research (Germany), Danish Energy Agency (Denmark), Government of Navarra (Spain) and Government of the Basque Country (Spain).

Siemens Gamesa also received publicly funded aid for its industrial activities in FY21 totaling €23.59 million in the UK, Portugal and France. [\[See Table 5 - Financial subsidies granted \]](#)

F. About this Report

F1. Statement

[L11-G05] [102-50] Siemens Gamesa releases the **Consolidated Non-Financial Statement 2021 - CNFS** (formerly the Sustainability Report), which is formulated by the Board of Directors, after consultation with the Audit, Compliance and Related Party Transactions Committee.

F2. Perimeter

The scope of the companies considered in the **Consolidated Non-Financial Statement 2021 - CNFS** report is consistent with the definition of the Group for the purpose of preparing the consolidated financial statements. Associates and joint ventures are excluded from the scope.

F3. Reporting Scene

Law 11/2018 of 28 December on non-financial and diversity reporting was enacted in Spain in 2018. The law transposes into Spanish law Directive 2014/95/EU of the Parliament and of the Council amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups.

F4. Reporting Period

The information contained in this Consolidated Non-Financial Statement (CNFS) reflects the situation in the period between October 1, 2020, and September 30, 2021 ("the reporting period"). This period is also referred to as "fiscal year 2021" (FY21).

F5. Reporting Framework

[102-54] The report is referenced to the reporting framework and reporting elements set out in Spain's Law 11/2018 of 28 December on non-financial information and diversity. That law stems from Royal Decree-Law 18/2017 of November 24, with important new additions, and transposes into Spanish law Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information.

The report contains all the material indicators for the Siemens Gamesa group required by Law 11/2018, relating to environmental and social issues, respect for human rights and the fight against corruption and bribery, as well as information relating to Group employees. Where any indicator is not material for the Group, this is indicated in the Law content index (Section I).

Siemens Gamesa also followed the recommendations of the Global Reporting Initiative (GRI reporting standards). Siemens

Gamesa referred to selected GRI Reporting criteria to define report content, by considering the organization's activities, impacts, and the substantive expectations and interests of its stakeholders. Those standards also guide the quality of information, enabling stakeholders to make sound and reasonable assessments of our organization. Additionally, the report takes into consideration the non-binding European Commission's Guidelines on non-financial reporting (2017/C 215/01).

This report is subject to external independent review by EY and approval by Siemens Gamesa's Board of Directors.

Note that the EY verification report cannot be an integral part of this Consolidated Non-Financial Statement (CNFS) and cannot be attached to it. That verification document is independent and is generated after the audit close. The rationale is the same as in the case of the financial audit, where the audit report is not part of the financial statements.

F6. Basis for Preparation

The reportable aspects relating to environmental, employee and social matters, human rights protection, and anti-corruption and bribery matters represent cornerstones of the Siemens Gamesa Group's policies and programs, including the new comprehensive Sustainability Program and actions set forth in section A.7. This reporting process includes close coordination with our main shareholder, Siemens Energy, A.G. Whereas the approach to the reportable aspects is aligned throughout the Siemens Energy Group as a whole, the basis for preparation of this document reflects only Company-specific characteristics of Siemens Gamesa.

F7. Compilation of Information

Non-financial information systems: Siemens Gamesa has adequate information systems. Therefore, the compilation of financial and non-financial information guarantees the comprehensiveness and accuracy of the indicators detailed in this report.

Rounding: Certain figures in this statement have been rounded up or down to the nearest decimal. As a result, the figures reported throughout this document may not add up precisely to the totals provided and the percentages may not accurately reflect the absolute figures.

F8. Observations

[102-46] The scope of companies considered by Siemens Gamesa while preparing the Consolidated Non-Financial Statement coincides with the definition of the Group for the purposes of preparing the consolidated financial statements. [102-45]

Year-on-year comparative information is provided throughout the report. The scope and comparable period for the matter of

sustainability in 2017 are not the same as in 2018, 2019 and 2020. Siemens Gamesa excluded the data from 2017 in order to conduct a reliable year-on-year analysis. For analyzing trends and data to compare the organization's sustainability performance over time, FY18 is considered to be the baseline.

F9. Reference

For the purposes of this report, the Spanish Company Siemens Gamesa Renewable Energy S.A., hereinafter referred to as "SGRE", "Siemens Gamesa" or the "Company", is the parent Company of the Group.

Siemens Gamesa Renewable Energy S.A. and all the subsidiaries over which it has the capacity to exercise control, or which it jointly controls, are referred to as the "Siemens Gamesa Renewable Energy Group", "Siemens Gamesa Group" or "the Group".

The companies in which Siemens Gamesa holds a percentage of ownership but over which it does not have the capacity to exercise control are referred to as "investee companies" or "associated companies".

F10. Calculations

This document refers to CO₂ emission savings that Siemens Gamesa products provide to customers.

It is properly interpreted as total CO₂ emissions that would be generated annually with conventional fossil fuels to produce the equivalent amount of electricity (kWh) produced by Siemens Gamesa turbines on an annual basis.

Calculation of these annual CO₂ emission savings is based on the wind turbines' total installed capacity, both on Onshore and Offshore. The following conversion factors are applied:

- World fossil fuel emission factor (grCO₂/KWh): 849.
- Offshore wind turbine average capacity factor: 42%.
- Onshore wind turbine average capacity factor: 35%.
- Average equivalent hours per year (h)= [Average Wind Turbine Generator (WTG) Capacity factor] * 365*24.

G. Materiality Analysis

[102-44] Siemens Gamesa's Materiality Analysis is a continuation of the comprehensive analysis carried out in the first half of fiscal year 2018. From our perspective, the evolution of material issues does not require an annual update; rather, we propose a review based on 3 to 5-year cycles, depending on the specific features of the business and on trends in stakeholder needs.

G1. Identification of Material Aspects

The information sources which enable us to identify additional material issues for the Company's stakeholders include: i) Environment, Social and Governance (ESG) criteria used by Institutional investors and asset managers to select their investment portfolios; ii) ESG requirements used by specialized indexes and rating agencies to analyze the Company; iii) Reference publications issued by international organizations that are influential in the scope covered by the ESG topic; and iv) ESG requirements expressed by clients in the framework of the Company's day-to-day business relations.

At a global level, we also consider four international standards that currently shape the broader international agreement on responsible behavior by multinational companies: i) The Principles of the United Nations Global Compact; ii) The United Nations Guiding Principles on Business and Human Rights; iii) The OECD Guidelines for Multinational Enterprises and iv) The Global Reporting Initiative Guidelines (GRI), together with feedback from the business environment, trade unions, civil society, financial markets, auditors and specialists in several disciplines in the business area, regulators and governing bodies in several countries.

All these sources enable us to identify details and specific features and obtain lists of issues that affect the group. A single list of issues linked to the corresponding chapter of this report is set out below.

G2. Prioritization of Material Aspects

The importance of each specific aspect for Siemens Gamesa's top management and regional managers (internal diagnosis) was

analyzed and opinion makers' demands in these areas were also identified, as were the best practices implemented by Siemens Gamesa's peers (external diagnosis). The results of the internal and external diagnoses were deployed in the aggregated materiality analysis as:

- Internal relevance of the sustainability aspect (importance for Siemens Gamesa – X axis of the materiality matrix), including an in-depth analysis of the sustainability policies applicable to the group's companies, together with consultations with the business' senior executives, including the Chief Executive Officer and members of the executive committee, who provided their views on the relevance of the issues identified.
- External relevance of the sustainability aspect (importance for stakeholders – Y axis of the materiality matrix), weighted as follows: i) benchmark with industry peers: 60%; ii) sector prescribers: 5% including AEE, WindEurope, IEA, ...etc. iii) sustainability opinion makers: 30%; including DJSI, CDP, FTSE4Good, OECD, ILO, GRI, etc.; iv) media: 5%.

G3. Validation of Material Aspects

The assessment and validation of the material aspects was included in the sustainability strategy and actions for the period 2018-2020, which was submitted for consideration and subsequent validation by the Audit, Compliance and Related Party Transactions Committee at a meeting on 16 May 2018.

However, each year a reflection is carried out on whether the issues in this analysis are still valid. The conclusion for the year 2021 is that the trends remain the same. In addition, a megatrend analysis was carried out and is reflected in this document.

As was done last year, the impact of the COVID 19 pandemic is reflected in several references in this report, as it is considered to be of a contingent nature. Those references explain how this impact has been managed from a business and management systems perspective.

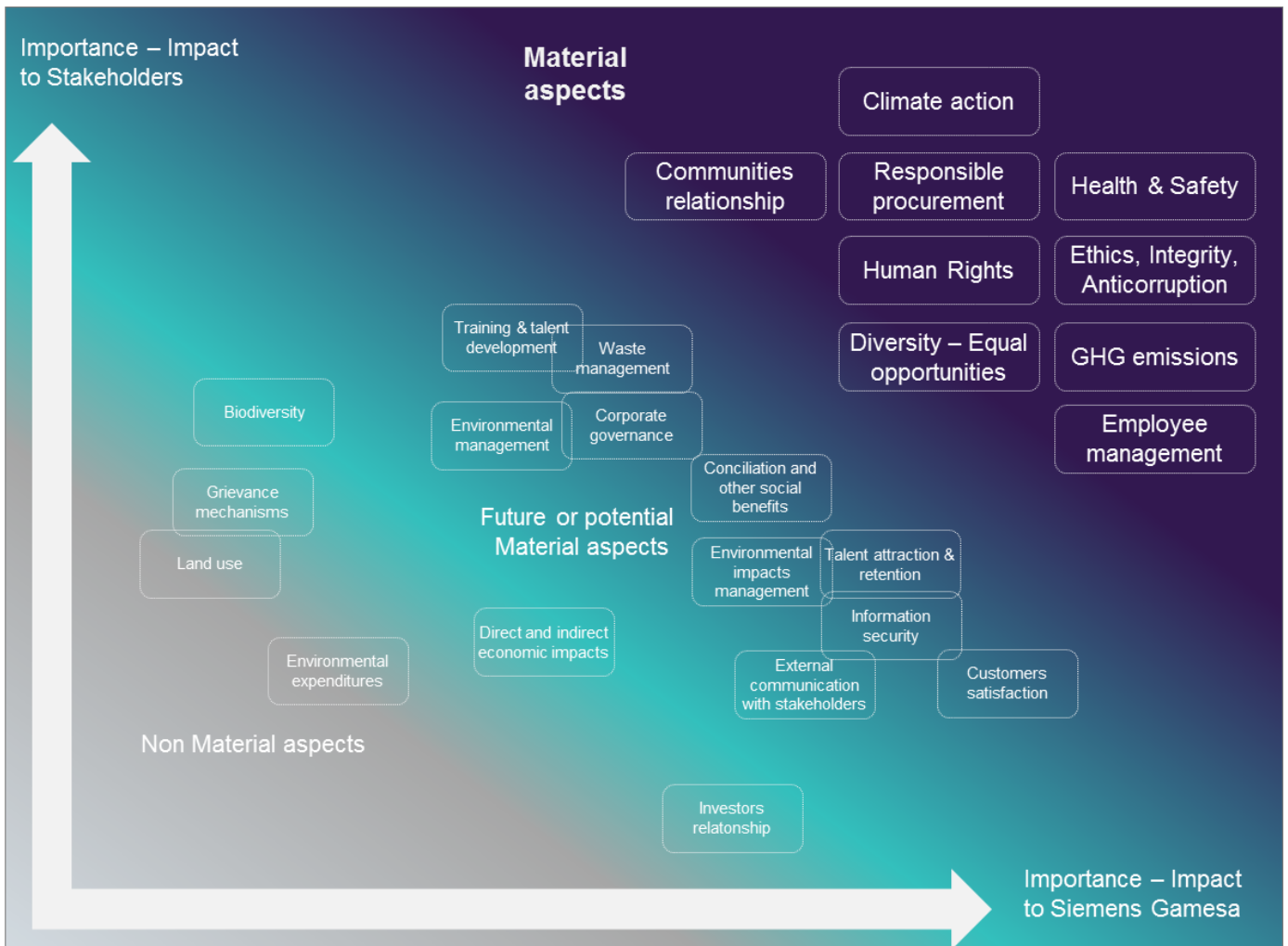


Figure 33 – Materiality matrix

G4. Understanding Material Aspects

Material aspect: **Ethics, Integrity, anti-corruption**

As part of a Company's governance, it is considered necessary to establish an anti-corruption policy and guidelines for ethical conduct, in addition to promoting legal compliance and integrity in tenders and bids. A high degree of transparency, efficiency and accuracy in the functioning of the governing bodies is critical to the generation of trust and long-term commitment to stakeholders. Large listed companies are also tending to provide more and more information regarding transparency and their tax contribution. [Section in this report: D1. Ethics, Integrity and Anti-Corruption]

Material aspect: **Health & safety**

Managing the safety, health and well-being of workers requires a process of awareness and training, along with risk identification and mitigation measures. In addition to achieving a reduction in accidents at work, it is important to convey the importance of occupational safety and health management to the supply chain. [Section in this report: B2. Health & Safety]

Material aspect: Climate change action

Measures taken by the Company to contribute to climate change mitigation: establish a climate change policy, invest in renewable energy, promote energy efficiency, reduce greenhouse gas emissions, offset carbon or emissions; adapt projects or assets to extreme weather events; and manage risks and opportunities from climate change. The impact of the energy transition and its regulatory mechanisms on companies is significant. [\[Section in this report: C2. Climate \]](#)

Material aspect: Responsible procurement

Environmental, social and ethical criteria must also be applied in supplier management. This includes the establishment of supplier policies and codes of conduct, as well as the implementation of due diligence mechanisms to ensure compliance. Work must also be done to identify suppliers' carbon footprint. [\[Section in this report E3. Responsible Supply Chain\]](#)

Material aspect: Diversity and equal opportunities

Measures taken to guarantee diversity and equal opportunities in the workplace must be disclosed, including training of people at risk of social exclusion and the promotion of multiculturalism. In addition, policies and actions aimed at promoting work-life balance and reducing the salary gap should be adopted. [\[Section in this report: B3. Diversity and Equal Opportunity\]](#)

Material aspect: Human Rights

Measures in place to respect the human rights of stakeholders and mechanisms to address possible violations. In addition to the definition of a policy in this respect, it is considered important to establish due diligence mechanisms as well as training and awareness on the subject of assessing the human rights risks in projects and investments, as well as in the supply chain. [\[Section in this report D2. Human Rights\]](#)

Material aspect: Greenhouse Gas emissions (GHG)

Global warming and climate change have come to the fore as a key sustainable development issue. Many governments are taking steps to reduce GHG emissions through national policies that include the introduction of emissions trading programs, voluntary programs, carbon or energy taxes, and regulations and standards on energy efficiency and emissions. As a result, we must be able to understand and manage our GHG risks if we are to ensure long-term success in a competitive business environment and be prepared for future national or regional climate policies. [\[Section in this report: C2. Climate \]](#)

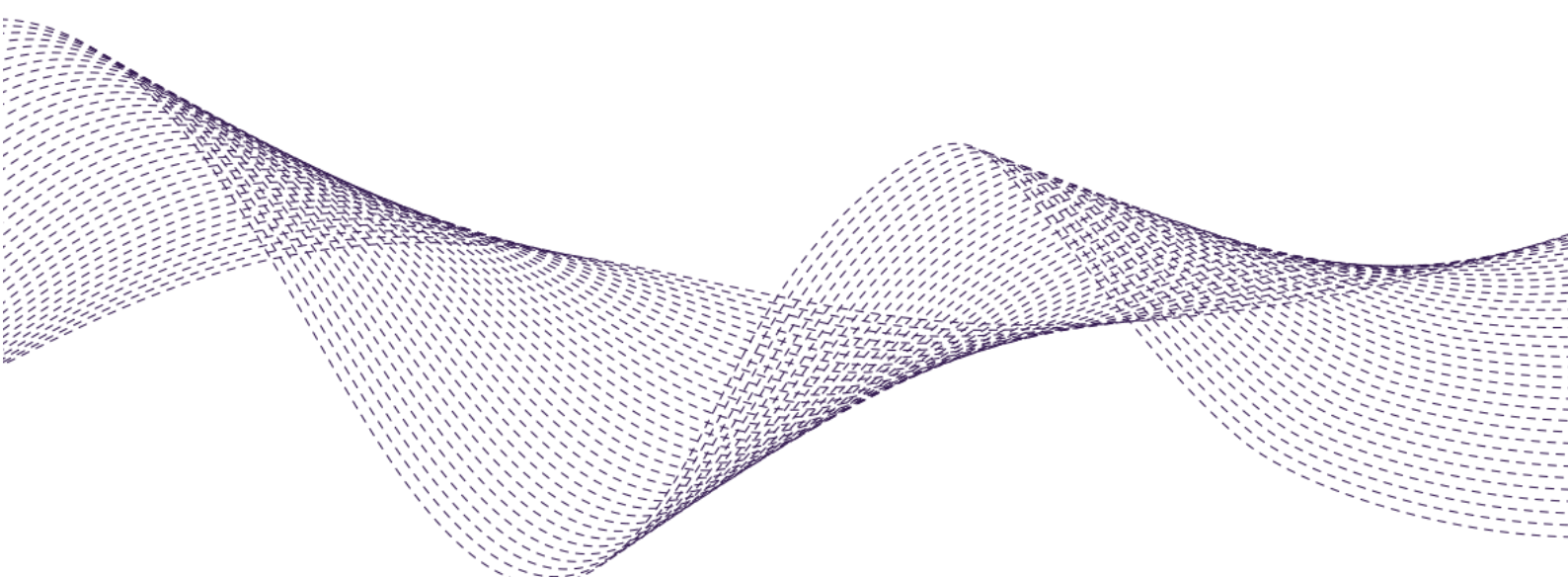
Material aspect: Employee management

Strategy and plans to attract and retain talent, as well as to reduce employee turnover: performance evaluation processes, employee satisfaction surveys and investment in training and other instruments to motivate commitment, such as grants, or incentives linked to objectives. In addition, measures to promote training on key sustainability issues and to link employee remuneration to the Company's sustainability performance are also assessed. [\[Section in this report B5. Talent Management and Learning\]](#)

Material aspect: Community relations

Any negative impact of the Company's activity on local communities should be managed, starting with appropriate engagement with them. Consideration should be given to effects such as population displacement, noise and dust generated and visual impact. The Company's operations also have a positive impact, such as the generation of wealth and the creation of local employment and the hiring of local suppliers. There is also the positive impact of social actions of a local and global nature outside regular business channels. [\[Section in this report: E1. Social Commitment\]](#)

H. Tables, Facts and Figures



H1. Our Company

Table 2 - Revenues by segment

(€million)	FY18	FY19	FY20	FY21
Wind Turbines	7,847	8,733	7,715	8,272
Service	1,275	1,493	1,768	1,926
Siemens Gamesa total revenue	9,122	10,227	9,483	10,198

Table 3 - Revenues by geographical area

(€million)	FY18	FY19	FY20	FY21
Europe, Middle East and Africa	5,175	6,653	5,197	4,910
Americas	2,235	2,031	2,659	2,678
Asia, Australia	1,712	1,543	1,627	2,610
Siemens Gamesa total revenue	9,122	10,227	9,483	10,198

Table 4 - Revenues by country

(€million)	FY18	FY19	FY20	FY21
Spain	666	1,000	617	489
Germany	1,173	1,038	745	454
Denmark	639	1,116	712	447
United Kingdom	1,062	1,497	391	1,383
United States	998	1,514	1,907	1,757
China P.R.	329	203	299	252
India	888	774	425	457
Brazil	262	198	293	377
Mexico	474	167	176	152
Rest of countries	2,896	2,720	3,918	4,430
Siemens Gamesa total revenue	9,122	10,227	9,483	10,198

Table 5 - Financial subsidies granted

(€million)	FY18	FY19	FY20	FY21
European Commission	6.08	1.37	2.02	2.50
Grants	6.08	1.37	2.02	2.50
Loans	0	0	0	0
Spain	2.36	5.29	10.15	3.67
Grants	0.53	1.07	2.48	1.15
Loans	1.82	4.22	7.67	2.52
Germany	0.12	0	2.89	0.74
Grants	0.12	0	2.89	0.74
Loans	0	0	0	0
Denmark	0.29	0.99	0.18	2.59
Grants	0.29	0.99	0.18	2.59
Loans	0	0	0	0
UK	0	0	0	17.55
Grants	0	0	0	17.55
Loans	0	0	0	0
Portugal	0	0	0	5.24
Grants	0	0	0	5.24
Loans	0	0	0	0
France	0	0.69	0	0.8
Grants	0	0.69	0	0.8
Loans	0	0	0	0
Rest of countries	0	0	0	0
Grants	0	0	0	0
Loans	0	0	0	0
Siemens Gamesa Group	8.86	8.36	15.24	33.09
Grants	7.03	4.14	7.57	30.57
Loans	1.82	4.22	7.67	2.52

Table 6 - Breakdown by country of profit (loss) and taxes paid (million euro)

	FY18 (*)	FY18 Tax	FY19 (*)	FY19 Tax	FY20 (*)	FY20 Tax	FY21 (*)	FY21 Tax		FY18 (*)	FY18 Tax	FY19 (*)	FY19 Tax	FY20 (*)	FY20 Tax	FY21 (*)	FY21 Tax	
Argentina	-3	0	0	0	-4	0	4	-1	Mauritania			-1		0	0	-4	0	
Australia	15	-6	0	-6	-11	-1	29	-5	Mauritius			0	0	0	0	0	0	
Austria	0	0	1	0	0	0	0	0	Mexico	-34	-7	-25	-5	-54	-2	-7	-5	
Belgium	16	-5	18	-4	1	-3	9	-2	Morocco	-3	-3	-3	-3	-9	-2	-4	-3	
Brazil	-24	-8	-11	-6	-81	-3	-321	-3	Netherlands	7	-3	7	-2	5	-3	21	-2	
Bulgaria			1	0	1	0	1	0	N.Caledonia			-1		0	0	1	0	
Canada	27	-7	16	-4	6	-1	-29	-1	N. Zealand				0					
Chile	4	5	-1	-3	-4	0	-23	0	Nicaragua		-1	-5	0	-1	0	-2	0	
China P.R.	30	-13	14	-18	18	-5	97	-29	Norway	1	-1	0		-2	0	0	0	
Colombia					0	0	0	0	Pakistan			0	0	1	0	-1	0	
Costa Rica	2	-1	3	0	-4	-1	-1	0	Peru	2	0	2	-1	0	0	-3	1	
Croatia	5	-2	1	-1	2	0	5	0	Philippines	2	-1	4	-1	2	-1	1	-1	
Cyprus			0		0	0	0	0	Poland	3	1	5	0	3	0	4	-4	
Denmark	302	-17	388	-81	-172	-29	62	2	Portugal	0	0	1	0	-7	1	-20	0	
Djibouti					0	0	-5	0	Romania	1	0	2	0	1	0	1	0	
Dom.Rep	2	0	-5	0	-2	-2	2	0	Russia	-1		-3		-13	0	-8	0	
Egypt	5	0	3	-1	-3	-2	0	-1	Serbia					0	0	0	0	
Ethiopia							-1	0	Singapore				0					
Finland			0		-1	0	0	0	S. Africa	8	-6	4	-5	4	-3	5	-4	
France	-16	-2	-11	-2	-15	-1	-15	9	Spain	-174	-2	-288	-6	-407	-5	-384	-2	
Germany	-3	-17	51	-13	272	-26	85	-42	Sri Lanka			0	0	0	0	0	0	
Greece	0	0	0	0	-1	0	5	0	Sweden	7	-2	5	-3	-8	-2	-6	0	
Guatemala	-4		4	0	0	0	-2	0	Taiwan			4		-14	0	35	-5	
Honduras			-5	0	-5	0	1	0	Thailand	2	0	3	0	3	-1	-5	-1	
Hungary	0	-1	1	0	1	0	1	0	Tunisia	6	0	-2	0	1	0	0	0	
India	-46	-14	-111	-3	-531	-12	-175	-5	Turkey	-4	-2	1	-3	-20	-1	-7	-1	
Indonesia	3	0	0	0	1	0	0	0	Ukraine			0						
Iran	2		4	-1	2	0	0	0	United Kingdom	74	-4	108	-8	100	-55	110	-30	
Ireland	7	0	6	-1	12	-1	2	-1	United States	-75	21	7	2	-61	-1	-9	6	
Italy	1	0	-2	0	-6	0	1	0	Uruguay	14	-1	4	-5	-3	2	-3	0	
Jamaica	0				0	0	0	0	Venezuela			0						
Japan							0	0	Vietnam	0		0	0	-4	0	5	0	
Jordan	2	-1	3	-1	0	0	1	0	Other IFRS	4		-9		-12	0	-7	0	
Kenya			0		0	0	0	0										
Korea	1	0	0	0	3	0	0	-1										
(*) Note: Profit / (loss) before tax										Siemens Gamesa	168	-103	190	-191	-1,019	-165	-553	-134

Table 7 - Siemens Gamesa wind turbine platforms

ONSHORE	SG 2.1-114	SG 2.2-122	SG 2.6-114	SG 2.9-129	SG 3.4-132	SG 3.4-145	SG 5.0-132	SG 5.0-145	SG 5.8-155	SG 5.8-170
Platform	2.X	2.X	2.X	2.X	3.X	3.X	4.X	4.X	5.X	5.X
Nominal power (MW)	2.1	2.2	2.625	2.9	3.465	3.465	5.0	5.0	5.8	5.8
Technology	Geared	Geared	Geared	Geared	Geared	Geared	Geared	Geared	Geared	Geared
Rotor diameter (m)	114	122	114	129	132	145	132	145	155	170
Swept area (m2)	10,207	11,690	10,207	13,070	13,685	16,513	13,685	16,513	18,868	22,697
Blade length (m)	56	60	56	63.5	64.5	71	64.5	71	-	-
Class IEC	II/III/S	III/S	IA/IIA/S	S	IA/IIA	III/S	IA	IIB	-	-
OFFSHORE	SWT 6.0-154	SWT 7.0-154	SG 8.0-167 DD	(1) SG 11-200 DD	(2) SG 14-222 DD					
Nominal power (MW)	6.0	7.0	8.0	11.0	14.0					
Technology	Direct Drive	Direct Drive	Direct Drive	Direct Drive	Direct Drive					
Rotor diameter (m)	154	154	167	200	222					
Swept area (m2)	18,600	18,600	21,900	31,400	39,000					
Blade length (m)	75	75	81.4	97	108					
Class IEC	I, S	I, S	I, S	I, S	I, S					

(1) The serial production is planned for 2022 || (2) The serial production is planned for 2024

Note: Full detail of Siemens Gamesa's products and services can be found at the Company's website.

Table 8 - Wind turbine installation track record by country / market (cumulative MW)

	FY18	FY19	FY20	FY21	ON	OF
Algeria	10	10	10	10	10	-
Argentina	82	113	113	113	113	-
Australia	699	932	932	932	932	-
Austria	43	43	43	43	43	-
Azerbaijan	8	8	8	8	8	-
Belgium	163	195	520	680	216	464
Bosnia-Herz.	41	87	87	135	135	-
Brazil	3,156	3,316	3,552	4,311	4,311	-
Bulgaria	90	90	90	90	90	-
Canada	2,804	3,021	3,021	3,234	3,234	-
Cape Verde	0.05	0.05	0.05	0.05	0.05	-
Chile	452	452	580	1,272	1,272	-
China P.R.	5,099	5,513	5,557	6,374	6,326	48
Costa Rica	143	143	143	143	143	-
Croatia	162	162	162	162	162	-
Cuba	5	5	5	5	5	-
Cyprus	20	20	20	20	20	-
Czech Rep.	14	14	14	14	14	-
Denmark	2,199	2,199	2,234	2,815	1,152	1,663
Djibouti	-	-	-	55	55	-
Dom. Rep.	52	191	191	191	191	-
Ecuador	2	2	2	2	2	-
Egypt	986	1,253	1,249	1,501	1,501	-
Finland	308	309	308	309	266	42
France	1,545	1,636	1,865	1,926	1,926	-
Germany	6,785	7,510	7,393	7,502	2,478	5,023
Greece	563	665	730	842	842	-
Guadalupe	-	-	-	16	16	-
Guatemala	32	32	32	32	32	-
Honduras	176	176	176	176	176	-
Hungary	182	182	182	182	182	-
India	5,613	6,358	6,931	7,529	7,529	-
Indonesia	122	151	151	151	151	-
Ireland	796	870	935	1,019	1,019	-
Iran	61	61	61	61	61	-
Israel	21	21	21	21	21	-
Italy	2,199	2,375	2,390	2,415	2,415	-
Jamaica	24	24	24	24	24	-
Japan	386	495	495	567	567	-

ON: Onshore
OF: Offshore

	FY18	FY19	FY20	FY21	ON	OF
Jordan	166	166	166	166	166	-
Kenya	14	14	14	14	14	-
Kuwait	10	10	10	10	10	-
Latvia	21	21	21	21	21	-
Lithuania	14	14	14	14	14	-
Luxemburg	24	24	24	24	24	-
Macedonia	37	37	37	37	37	-
Mauritania	30	35	132	132	132	-
Mauritius	9	9	9	9	9	-
Mexico	2,380	2,639	3,059	3,080	3,080	-
Morocco	856	856	1,062	1,073	1,073	-
Netherlands	858	858	1,973	2,454	281	2,173
N.Caledonia	-	-	-	1	1	-
N. Zealand	281	281	316	415	415	-
Nicaragua	44	44	44	44	44	-
Norway	662	858	1,670	1,705	1,702	2
Pakistan	50	50	52	184	184	-
Peru	124	124	124	161	161	-
Poland	1,045	1,053	1,159	1,297	1,297	-
Portugal	569	569	569	601	601	-
Puerto Rico	103	103	103	103	103	-
Romania	590	590	590	590	590	-
Russian Fed.	-	-	45	152	152	-
Somalia	0.22	0.22	0.22	0.22	0.22	-
South Africa	604	660	855	855	855	-
South Korea	77	138	155	164	164	-
Spain	13,154	14,184	14,671	15,045	15,045	-
Sri Lanka	45	45	56	56	56	-
Sweden	1,458	1,542	1,873	2,169	2,058	110
Switzerland	0.15	0.15	0.15	0.15	0.15	-
Taiwan	20	132	164	252	12	240
Thailand	389	389	659	679	679	-
Philippines	243	259	259	259	259	-
Tunisia	242	242	242	242	242	-
Turkey	814	1,290	1,297	1,367	1,367	-
U. Kingdom	9,822	11,700	12,297	13,235	4,305	8,930
Uruguay	390	390	390	390	390	-
U. States	18,795	20,669	23,028	25,171	25,159	12
Venezuela	71	71	71	71	71	-
Vietnam	9	40	61	546	546	-

Siemens Gamesa	88,840	98,735	107,502	117,666	98,958	18,708
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Figure 34 - SG 3.4 ON wind turbine

H2. People Matters

Table 10 - Employee breakdown by country or market

Country/market	FY18	FY19	FY20	FY21	Country/market	FY18	FY19	FY20	FY21
1. Argentina	-	11	13	10	31. Korea Rep.	11	17	21	25
2. Australia	58	145	128	94	32. Lithuania	-	-	-	3
3. Austria	12	16	24	22	33. Mauretania	4	4	4	9
4. Belgium	33	30	40	40	34. Mexico	291	340	398	501
5. Brazil	549	648	605	681	35. Morocco	542	666	737	641
6. Bulgaria	1	1	1	1	36. Netherlands	126	155	186	208
7. Canada	121	113	130	139	37. New Caledonia	-	-	-	1
8. Chile	41	55	75	105	38. New Zealand	5	-	-	8
9. China P.R.	1,309	1,320	1,249	1,238	39. Nicaragua	-	1	-	-
10. Costa Rica	3	2	2	1	40. Norway	22	37	41	42
11. Croatia	30	28	30	30	41. Pakistan	-	2	5	14
12. Czech Rep.	1	-	-	1	42. Peru	9	9	12	11
13. Denmark	5,283	5,316	5,103	5,211	43. Philippines	30	11	19	20
14. Dominican Rep.	1	2	3	12	44. Poland	85	88	178	175
15. Egypt	18	46	63	76	45. Portugal	8	19	689	860
16. Finland	26	13	-	21	46. Romania	14	11	9	10
17. France	100	118	304	359	47. Russian Fed.	-	-	22	21
18. Germany	2,345	2,334	2,843	2,998	48. Serbia	-	-	4	4
19. Greece	16	21	24	26	49. Singapore	11	3	-	17
20. Guatemala	-	-	-	2	50. South Africa	40	48	51	52
21. Honduras	3	4	7	6	51. Spain	4,534	4,881	4,765	4,762
22. Hungary	119	117	118	124	52. Sri Lanka	9	13	12	12
23. India	2,789	3,235	3,338	2,820	53. Sweden	62	80	98	95
24. Indonesia	4	9	10	10	54. Taiwan	13	-	114	188
25. Iran, Islamic R.	9	8	7	7	55. Thailand	26	31	38	40
26. Ireland	102	99	96	86	56. Turkey	53	97	127	158
27. Israel	1	1	-	-	57. U. Kingdom	1,952	2,012	2,008	1,981
28. Italy	91	96	176	154	58. U. States	1,985	2,093	2,127	1,916
29. Japan	18	-	-	54	59. Uruguay	20	36	38	48
30. Jordan	1	5	7	14	60. Vietnam	8	6	15	20
Siemens Gamesa	23,034	24,453	26,114	26,182					

Table 11 - Employee breakdown by gender, region, age structure and professional category

	92 FY19			FY20			FY21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Europe, Middle East and Africa	12,926	3,425	16,351	14,065	3,680	17,745	14,396	3,773	18,169
Americas	2,633	684	3,317	2,740	693	3,433	2,778	654	3,432
Asia, Australia	4,299	486	4,785	4,410	526	4,936	4,007	574	4,581
Siemens Gamesa	19,858	4,595	24,453	21,215	4,899	26,114	21,181	5,001	26,182
<35	7,639	1,458	9,097	8,036	1,550	9,586	7,509	1,529	9,038
35-44	7,088	1,900	8,988	7,761	2,009	9,770	7,963	2,052	10,015
45-54	3,631	909	4,540	3,936	1,014	4,950	4,096	1,064	5,160
55-60	1,025	237	1,262	990	223	1,213	1,088	241	1,329
>60	368	73	441	492	103	595	525	115	640
Non-classified	-	-	125	-	-	-	-	-	-
Siemens Gamesa	19,751	4,577	24,453	21,215	4,899	26,114	21,181	5,001	26,182
Executive level	298	34	332	219	29	248	236	35	271
Management level	2,616	625	3,241	2,791	677	3,468	3,321	904	4,225
Non-management level	16,944	3,936	20,880	18,205	4,193	22,398	17,624	4,062	21,686
Siemens Gamesa	19,858	4,595	24,453	21,215	4,899	26,114	21,181	5,001	26,182

Table 12 - Overall age

	FY18	FY19	FY20			FY21		
			Male	Female	Total	Male	Female	Total
Europe, Middle East and Africa	-	-	41	40	41	41	41	41
Americas	-	-	39	41	39	40	41	40
Asia, Australia	-	-	34	36	34	35	36	35
Siemens Gamesa	38	38	39	40	39	40	40	40

Table 13 - Contract type by gender, professional category and age structure (fiscal year-end)

	⁹³ FY19			FY20			FY21		
	Fixed	Temporary	Part-time ⁹⁴	Fixed	Temporary	Part-time	Fixed	Temporary	Part-time
Male	18,383	1,125	199	19,989	958	268	19,953	1,026	202
Female	4,246	293	419	4,239	269	391	4,359	331	311
Siemens Gamesa	22,629	1,418	618	24,228	1,227	659	24,312	1,357	513
<35	8,067	836	79	8,733	733	120	8,225	751	62
35-44	8,419	438	350	9,027	392	351	9,317	437	261
45-54	4,359	120	121	4,741	88	121	4,908	136	116
55-60	1,232	18	22	1,182	10	21	1,279	28	22
>60	430	5	45	545	4	46	583	5	52
Siemens Gamesa	22,507	1,417	617	24,228	1,227	659	24,312	1,357	513
Executive level	316	10	2	241	6	1	264	4	3
Management level	3,059	95	63	3,297	96	75	4,069	66	90
Non-management level	19,254	1,313	553	20,690	1,125	583	19,979	1,287	420
Siemens Gamesa	22,629	1,418	618	24,228	1,227	659	24,312	1,357	513

Table 14 – Average contracts in fiscal year 2021 by Region, Category level, Contract type and Gender

	Male	Female	Average FY21
Europe, Middle East and Africa	14,206	3,727	17,933
Executive level	194	28	221
Part Time	0	0	0
Permanent	190	28	218
Temporary	3	0	3
Management level	2,212	610	2,822
Part Time	27	40	68
Permanent	2,068	566	2,734
Temporary	17	4	21
Non-management level	11,801	3,089	14,890
Part Time	163	288	452
Permanent	11,224	2,691	13,915
Temporary	414	110	524
Americas	2,723	660	3,384
Executive level	22	2	24
Part Time	0	0	0
Permanent	22	2	24
Temporary	0	0	0
Management level	388	88	476
Part Time	9	2	11
Permanent	375	86	461
Temporary	4	0	4
Non-management level	2,313	571	2,885
Part Time	36	14	50
Permanent	2,253	554	2,807
Temporary	24	4	27
Asia, Australia	4,144	559	4,703
Executive level	15	3	18
Part Time	0	0	0
Permanent	13	3	16
Temporary	2	0	2
Management level	412	74	486
Part Time	0	0	1
Permanent	369	57	425
Temporary	43	17	60
Non-management level	3,717	482	4,199
Part Time	2	1	3
Permanent	3,339	327	3,666
Temporary	376	154	530
Siemens Gamesa	21,074	4,946	26,020

Table 15 - Average contracts in fiscal year 2021 by Age structure

	Fixed	Temporary	Part-time	FY21
<35	8,463	644	91	9,198
35-44	9,209	401	309	9,919
45-54	4,819	100	118	5,036
55-60	1,218	22	20	1,259
>60	557	5	46	607
Siemens Gamesa	24,265	1,171	583	26,020

Table 16 - Employees hired

	FY18	FY19	FY20			FY21		
			Male	Female	Total	Male	Female	Total
Europe, Middle East and Africa	1,203	1,118	2,873	627	3,500	1,810	463	2,273
Americas	349	314	563	107	670	605	91	696
Asia, Australia	474	368	617	145	762	662	119	781
Siemens Gamesa	2,466	4,498	4,053	879	4,932	3,077	673	3,750

Table 17 - Employee exits

	FY18	FY19	FY20			FY21		
			Male	Female	Total	Male	Female	Total
Voluntary	2,026	1,800	1,442	317	1,759	1,675	317	1,992
Europe, Middle East and Africa	1,203	1,118	807	191	998	865	202	1,067
Americas	349	314	259	59	318	291	56	347
Asia, Australia	474	368	376	67	443	519	59	578
NON-Voluntary	2,827	1,345	1,251	265	1,516	1,506	296	1,802
Europe, Middle East and Africa	2,037	998	910	192	1,102	686	214	900
Americas	568	181	218	43	261	241	62	303
Asia, Australia	222	166	123	30	153	579	20	599
Siemens Gamesa	4,853	3,145	2,693	582	3,275	3,181	613	3,794
Europe, Middle East and Africa	3,240	2,116	1,717	383	2,100	1,551	416	1,967
Americas	917	495	477	102	579	532	118	650
Asia, Australia	696	534	499	97	596	1,098	79	1,177

Table 18 - Overall employee turnover rate (%) - Annualized

	FY18	FY19	FY20	FY21
Siemens Gamesa	8.80	7.36	7.04	7.66

Table 19 - Employees ' use of working hours

	FY18	FY19	FY20	FY21
Europe, Middle East and Africa	639	587	535	488
Americas	12	29	122	1
Asia, Australia	2	2	2	24
Siemens Gamesa	653	618	659	513

Table 20 - Employee training hours by professional category

	FY18	FY19	FY20	(*) FY21
Employee Executive level				4,224
Employee Management levels				34,459
Employee Non-management level				327,165
Employee others				24,852
Externals				150,825
On behalf of				13,345
Siemens Gamesa	619,257	904,529	839,950	554,870

Legend: i) Employee others: Employee of SGRE that cannot be classified by professional category; ii) Externals: External employees; iii) On behalf of: Suppliers, partners and third parties

(*) In FY21 we consolidate data from the 2 global learning tools and do not include training data outside our global tools, to ensure data quality

Table 21 - Training hours based on learning category in fiscal year 2021

	External	Member of	On behalf of	FY21
Compliance	36	10,173	496	10,704
Global Learning Program	480	28,806	3,017	32,302
Job Specific Skills	9,302	52,491	4,854	66,645
Leadership	0	8,819	0	8,819
Manufacturing	159	6,520	1,133	7,812
Organizational Awareness	1,087	37,149	1,000	39,236
Personal Skills	62	598	34	694
Technician	139,700	246,144	2,813	388,657
Siemens Gamesa	150,825	390,700	13,346	554,870

Table 22 - Training hours based on delivery type in fiscal year 2021

	External	Member of	On behalf of	FY21
E-learning	51,153	61,698	3,420	116,271
Face-to-Face /Virtual	82,143	257,505	9,453	349,101
On-the-job	17,528	71,498	472	89,498
Siemens Gamesa	150,825	390,700	13,346	554,870

Table 23 - Number of virtual/face to face sessions

	FY18	FY19	FY20	FY21
Number of virtual/face to face sessions	n.a.	2,321	2,046	3,056

Table 24 – Number of graduates

	FY18	FY19	FY20	FY21
Internal	421	496	510	410
External	86	119	124	69
Siemens Gamesa	507	615	634	479

Table 25 - Individual Performance Appraisal (% employees)

	FY18	FY19	FY20	FY21
Employee coverage of individual performance appraisals	35.8	43.5	44.4	46.1

Table 26 - Employees in management positions

	FY18	FY19	FY20			FY21		
			Male	Female	Total	Male	Female	Total
Europe, Middle East and Africa	227	267	187	24	211	195	31	226
Americas	33	37	20	2	22	23	1	24
Asia, Australia	18	28	12	3	15	18	3	21
Siemens Gamesa	278	332	219	29	248	236	35	271

Table 27- Employee breakdown by region, gender, age group and professional category (extended)

	FY20			FY21		
	Male	Female	Total	Male	Female	Total
Europe, Middle East & Africa	14,065	3,680	17,745	14,396	3,773	18,169
<35	4,320	1,049	5,369	4,259	1,051	5,310
Executive level	0	1	1	2	1	3
Management level	264	67	331	177	71	248
Non-management level	4,056	981	5,037	4,080	979	5,059
35-44	5,404	1,556	6,960	5,506	1,570	7,076
Executive level	62	11	73	64	10	74
Management level	886	282	1,168	1,100	364	1,464
Non-management level	4,456	1,263	5,719	4,342	1,196	5,538
45-54	3,186	843	4,029	3,336	899	4,235
Executive level	92	8	100	96	15	111
Management level	635	155	790	876	217	1,093
Non-management level	2,459	680	3,139	2,364	667	3,031
55-60	779	165	944	889	181	1,070
Executive level	31	4	35	29	5	34
Management level	110	10	120	221	29	250
Non-management level	638	151	789	639	147	786
>60	376	67	443	406	72	478
Executive level	2	0	2	4	0	4
Management level	53	6	59	116	13	129
Non-management level	321	61	382	286	59	345
Americas	2,740	693	3,433	2,778	654	3,432
<35	1,106	251	1,357	1,054	225	1,279
Executive level	0	0	0	0	0	0
Management level	66	18	84	37	22	59
Non-management level	1,040	233	1,273	1,017	203	1,220
35-44	918	219	1,137	1,017	217	1,234
Executive level	9	2	11	8	1	9
Management level	188	38	226	191	60	251
Non-management level	721	179	900	818	156	974
45-54	431	131	562	427	112	539
Executive level	7	1	8	11	0	11
Management level	98	22	120	121	33	154
Non-management level	326	109	435	295	79	374
55-60	172	57	229	167	58	225
Executive level	2	0	2	3	0	3
Management level	35	4	39	42	13	55
Non-management level	135	53	188	122	45	167
>60	113	35	148	113	42	155
Executive level	2	0	2	1	0	1
Management level	12	2	14	34	9	43
Non-management level	99	33	132	78	33	111
Asia, Australia	4,410	526	4,936	4,007	574	4,581
<35	2,610	250	2,860	2,196	253	2,449
Executive level	0	0	0	0	0	0
Management level	59	8	67	13	5	18
Non-management level	2,551	242	2,793	2,183	248	2,431
35-44	1,439	234	1,673	1,440	265	1,705
Executive level	2	0	2	4	0	4
Management level	205	47	252	210	41	251
Non-management level	1,232	187	1,419	1,226	224	1,450
45-54	319	40	359	333	53	386
Executive level	7	3	10	10	3	13
Management level	154	18	172	162	26	188
Non-management level	158	19	177	161	24	185
55-60	39	1	40	32	2	34
Executive level	3	0	3	4	0	4
Management level	25	0	25	18	1	19
Non-management level	11	1	12	10	1	11
>60	3	1	4	6	1	7
Executive level	0	0	0	0	0	0
Management level	1	0	1	3	0	3
Non-management level	2	1	3	3	1	4
Total headcount	21,215	4,899	26,114	21,181	5,001	26,182

Table 28 Hiring by region, gender, age group and level

	FY20			FY21		
	Male	Female	Total	Male	Female	Total
Europe, Middle East & Africa	2,873	627	3,500	1,810	463	2,273
<35	1,346	298	1,644	982	232	1,214
Executive level	0	0	0	1	0	1
Management level	34	11	45	28	11	39
Non-management level	1,312	287	1,599	953	221	1,174
35-44	950	200	1,150	514	152	666
Executive level	7	1	8	1	0	1
Management level	91	23	114	54	11	65
Non-management level	852	176	1,028	459	141	600
45-54	450	106	556	228	68	296
Executive level	5	0	5	7	1	8
Management level	48	12	60	30	6	36
Non-management level	397	94	491	191	61	252
55-60	83	16	99	73	11	84
Executive level	2	1	3	2	1	3
Management level	10	0	10	9	1	10
Non-management level	71	15	86	62	9	71
>60	44	7	51	13	0	13
Executive level	1	0	1	1	0	1
Management level	6	1	7	2	0	2
Non-management level	37	6	43	10	0	10
Americas	563	107	670	605	91	696
<35	322	64	386	321	45	366
Executive level	0	1	1	1	0	1
Management level	16	0	16	13	3	16
Non-management level	306	63	369	307	42	349
35-44	173	28	201	200	34	234
Executive level	1	0	1	0	0	0
Management level	35	7	42	14	5	19
Non-management level	137	21	158	186	29	215
45-54	59	12	71	57	8	65
Executive level	0	0	0	2	0	2
Management level	12	3	15	10	0	10
Non-management level	47	9	56	45	8	53
55-60	9	2	11	11	3	14
Executive level	0	0	0	1	0	1
Management level	1	1	2	1	1	2
Non-management level	8	1	9	9	2	11
>60	0	1	1	16	1	17
Executive level	0	0	0	0	0	0
Management level	0	0	0	0	0	0
Non-management level	0	1	1	16	1	17
Asia, Australia	617	145	762	662	119	781
<35	464	92	556	454	80	534
Executive level	0	0	0	0	0	0
Management level	13	7	20	14	9	23
Non-management level	451	85	536	440	71	511
35-44	105	44	149	177	34	211
Executive level	0	0	0	0	0	0
Management level	12	4	16	36	6	42
Non-management level	93	40	133	141	28	169
45-54	37	9	46	26	5	31
Executive level	3	0	3	0	0	0
Management level	11	4	15	14	1	15
Non-management level	23	5	28	12	4	16
55-60	8	0	8	2	0	2
Executive level	2	0	2	0	0	0
Management level	2	0	2	2	0	2
Non-management level	4	0	4	0	0	0
>60	3	0	3	4	0	4
Executive level	0	0	0	0	0	0
Management level	1	0	1	1	0	1
Non-management level	2	0	2	3	0	3
Siemens Gamesa hires	4,053	879	4,932	3,077	673	3,750

Table 29 - Exits by gender and type of exit, region, age group and level

	Male		Female		FY20 Total	Male		Female		FY21 Total
	Voluntary	Non-voluntary	Voluntary	Non-voluntary	Total	Voluntary	Non-voluntary	Voluntary	Non-voluntary	Total
Europe, Middle East & Africa	807	910	191	192	2,100	865	686	202	214	1,967
<35	323	287	78	62	750	378	222	75	52	727
Executive level	0	0	0	0	0	0	0	0	0	0
Management level	15	3	4	1	23	22	4	3	1	30
Non-management level	308	284	74	61	727	356	218	72	51	697
35-44	267	276	65	67	675	287	216	83	77	663
Executive level	5	1	1	0	7	0	3	0	0	3
Management level	42	20	12	4	78	41	12	12	3	68
Non-management level	220	255	52	63	590	246	201	71	74	592
45-54	146	211	34	45	436	111	169	29	62	371
Executive level	1	4	0	1	6	3	10	0	1	14
Management level	31	23	6	3	63	27	18	7	4	56
Non-management level	114	184	28	41	367	81	141	22	57	301
55-60	32	87	6	13	138	46	55	6	20	127
Executive level	3	2	0	0	5	0	7	0	1	8
Management level	5	12	0	0	17	15	12	1	1	29
Non-management level	24	73	6	13	116	31	36	5	18	90
>60	39	49	8	5	101	43	24	9	3	79
Executive level	0	1	0	0	1	2	0	0	0	2
Management level	4	3	2	1	10	10	1	1	0	12
Non-management level	35	45	6	4	90	31	23	8	3	65
Americas	259	218	59	43	579	291	241	56	62	650
<35	120	95	24	26	265	144	107	23	23	297
Executive level	0	0	0	0	0	0	0	0	0	0
Management level	5	5	1	2	13	6	3	2	0	11
Non-management level	115	90	23	24	252	138	104	21	23	286
35-44	82	83	19	11	195	94	58	22	18	192
Executive level	0	0	0	0	0	0	0	1	0	1
Management level	18	12	3	2	35	17	4	4	0	25
Non-management level	64	71	16	9	160	77	54	17	18	166
45-54	40	30	9	4	83	30	42	8	13	93
Executive level	1	1	0	0	2	0	0	0	0	0
Management level	9	3	4	1	17	2	3	1	1	7
Non-management level	30	26	5	3	64	28	39	7	12	86
55-60	8	8	2	2	20	9	14	1	6	30
Executive level	1	0	0	0	1	0	0	0	0	0
Management level	0	1	0	0	1	4	3	0	0	7
Non-management level	7	7	2	2	18	5	11	1	6	23
>60	9	2	5	0	16	14	20	2	2	38
Executive level	0	0	0	0	0	0	0	0	0	0
Management level	1	0	1	0	2	1	2	0	0	3
Non-management level	8	2	4	0	14	13	18	2	2	35
Asia, Australia	376	123	67	30	596	519	579	59	20	1,177
<35	223	64	34	10	331	317	336	40	9	702
Executive level	0	0	0	0	0	0	0	0	0	0
Management level	4	1	1	0	6	6	6	4	0	16
Non-management level	219	63	33	10	325	311	330	36	9	686
35-44	121	48	24	18	211	163	196	16	9	384
Executive level	0	0	0	0	0	0	0	0	0	0
Management level	24	5	4	1	34	39	17	5	1	62
Non-management level	97	43	20	17	177	124	179	11	8	322
45-54	25	8	9	1	43	30	43	2	2	77
Executive level	3	0	0	0	3	2	0	0	0	2
Management level	12	2	3	0	17	15	20	1	1	37
Non-management level	10	6	6	1	23	13	23	1	1	38
55-60	4	2	0	0	6	7	3	1	0	11
Executive level	1	1	0	0	2	0	0	0	0	0
Management level	3	1	0	0	4	7	1	0	0	8
Non-management level	0	0	0	0	0	0	2	1	0	3
>60	3	1	0	1	5	2	1	0	0	3
Executive level	1	1	0	0	2	0	0	0	0	0
Management level	2	0	0	0	2	1	0	0	0	1
Non-management level	0	0	0	1	1	1	1	0	0	2
Siemens Gamesa exits	1,442	1,251	317	265	3,275	1,675	1,506	317	296	3,794

Table 30 – Average remuneration by gender, age groups and professional category

	FY19			FY20			FY21		
	Average TTC (euro) Female	Average TTC (euro) Male	Average TTC (euro)	Average TTC (euro) Female	Average TTC (euro) Male	Average TTC (euro)	Average TTC (euro) Female	Average TTC (euro) Male	Average TTC (euro)
<35 y	42,069	28,256	30,482	44,448	29,883	32,278	41,754	29,711	31,789
Executive	115,355	92,323	103,839	129,847	175,500	152,674	162,500	162,500	162,500
Management	80,877	80,763	80,796	89,684	77,341	80,944	86,862	81,717	83,370
Professional	42,990	32,531	34,628	43,195	33,809	35,906	42,107	33,321	35,289
Operational	22,424	17,707	18,128	25,700	20,909	21,231	20,998	19,867	19,943
Other	-	-	-	-	-	-	41,382	36,762	37,829
35 < y < 44	55,415	49,738	50,991	56,669	50,973	52,169	55,049	49,589	50,716
Executive	150,837	184,947	179,262	174,476	185,470	183,916	182,493	206,286	203,216
Management	86,380	86,122	86,178	88,206	88,541	88,462	86,678	89,635	88,935
Professional	50,490	43,892	45,570	49,139	44,901	45,938	47,988	43,101	44,302
Operational	30,067	24,770	25,586	31,000	28,775	29,047	27,561	28,188	28,126
Other	-	-	-	-	-	-	48,417	43,545	44,604
45 < y < 54	63,207	69,438	68,083	64,843	69,104	68,210	64,018	65,529	65,199
Executive	210,585	237,150	234,640	210,296	228,340	226,550	243,295	217,525	221,048
Management	97,483	96,376	96,567	95,869	97,411	97,116	94,313	96,975	96,457
Professional	55,601	53,129	53,760	56,517	55,212	55,536	56,016	55,370	55,517
Operational	35,473	32,945	33,502	37,813	38,238	38,160	32,715	36,311	35,802
Other	-	-	-	-	-	-	41,533	41,186	41,254
55 < y < 60	60,323	81,855	77,235	65,365	81,670	78,623	62,530	73,694	71,636
Executive	233,737	279,231	275,982	224,143	313,886	302,181	237,347	343,726	328,529
Management	100,811	110,770	109,538	98,938	111,892	110,262	105,172	109,767	109,139
Professional	59,402	57,838	58,226	61,348	60,492	60,700	62,650	65,027	64,390
Operational	36,512	37,439	37,171	37,735	41,991	41,182	25,979	37,778	35,918
Other	-	-	-	-	-	-	47,523	42,122	43,004
> 60 y	73,738	95,936	91,568	63,777	73,353	71,675	59,533	70,817	68,795
Executive	0	349,073	349,073	-	245,979	245,979	-	236,701	236,701
Management	115,384	115,918	115,847	107,185	114,430	113,477	106,108	116,138	114,768
Professional	64,999	84,701	79,424	60,737	65,326	64,138	63,592	70,556	68,743
Operational	54,863	61,424	60,142	38,309	42,068	41,562	23,528	34,204	32,637
Other	-	-	-	-	-	-	46,961	43,926	44,446
Siemens Gamesa	53,369	46,888	48,164	55,394	49,024	50,248	53,311	47,357	48,507

Table 31 - Average remuneration in fiscal year 2021 grouped by professional category

	Average TTC (euro) Female	Average TTC (euro) Male	Average TTC (euro) Total
Executive	221,029	232,409	230,892
Management	90,472	94,655	93,751
Professional	48,306	42,503	43,910
Operational	26,431	26,358	26,365
Other	44,397	40,459	41,312
Siemens Gamesa	53,311	47,357	48,507

Considerations for the **Average Remuneration** report:

- Headcount as of September 30, 2021 (end of fiscal year).
- Universe used for calculations amounts to 25,305 employees (21,902 in FY20)
- TTC = Total Target Cash. This includes Base Salary + Variable Salary.
- All salaries are gross annual amounts in EUR.

Table 32 - Gender Pay Gap by significant locations

	China	Denmark	Germany	Spain	United Kingdom	United States	Siemens Gamesa
Gender Pay Gap	-19.3%	1.2%	-0.7%	0.4%	-7.9%	-3.0%	-12.6%

Considerations for the **Gender Pay Gap by significant locations** table:

- Headcount as of September 30, 2021 (end of fiscal year) .
- Universe used for calculations amounts to 25,305 employees (21,902 in FY20).
- Gender Pay Gap is calculated as the difference between average gross TTC earnings of male and female employees as a percentage of average gross TTC earnings of male employees.
- TTC = Total Target Cash. This includes Base Salary + Variable Salary.
- All salaries are gross annual amounts in EUR.
- Selected countries have 1,000 or more employees and a significant share of women.
- A positive percentage figure reveals that women have lower pay than men. A negative percentage figure reveals that women have higher pay than men.

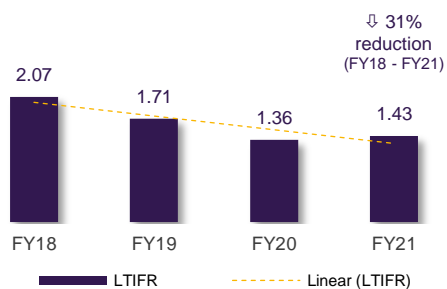
Table 33 - Key safety statistics

	FY18	FY19	FY20	FY21
Recordable injuries (TRI)	376	385	280	288
Male	n.a.	n.a.	n.a.	238
Female	n.a.	n.a.	n.a.	10
Prefer not to respond /Not available	n.a.	n.a.	n.a.	40
Fatalities (FAT)	1	0	4	5
Male	1	0	4	5
Female	0	0	0	0
Prefer not to respond /Not available	0	0	0	0
Lost-time cases (LTC)	156	140	121	132
Male	n.a.	n.a.	n.a.	113
Female	n.a.	n.a.	n.a.	5
Prefer not to respond /Not available	n.a.	n.a.	n.a.	14
Medical treatments (MTc)	151	150	67	73
Male	n.a.	n.a.	n.a.	57
Female	n.a.	n.a.	n.a.	4
Prefer not to respond /Not available	n.a.	n.a.	n.a.	12
Restricted works (RWc)	68	95	88	78
Male	n.a.	n.a.	n.a.	64
Female	n.a.	n.a.	n.a.	1
Prefer not to respond /Not available	n.a.	n.a.	n.a.	13
Occupational illness (OI)	-	-	-	15
Male	n.a.	n.a.	n.a.	11
Female	n.a.	n.a.	n.a.	3
Prefer not to respond /Not available	n.a.	n.a.	n.a.	1
Lost workdays due to accidents	-	-	-	1,291
Male	-	-	-	1,155
Female	-	-	-	64
Prefer not to respond /Not available	-	-	-	72
Working hours (million)	75.4	81.7	89.1	92.1
Employees working hours employees (x10 ⁶ hours)	51.9	50.3	55.4	55.0
Male ¹	-	-	-	44.5
Female ¹	-	-	-	10.5
Contractor working hours contractors (x10 ⁶ hours)	23.5	31.4	33.7	37.1
Male ¹	-	-	-	30.1
Female ¹	-	-	-	7.0
Lost time Injury Frequency rate (LTIFR)	2.07	1.71	1.36	1.43
Male	n.a.	n.a.	n.a.	1.51
Female	n.a.	n.a.	n.a.	0.29
Prefer not to respond /Not available ²	n.a.	n.a.	n.a.	n.a.
Total recordable injury rate (TRIR)	5.10	4.71	3.14	3.13
Male	n.a.	n.a.	n.a.	3.19
Female	n.a.	n.a.	n.a.	0.57
Prefer not to respond /Not available ²	n.a.	n.a.	n.a.	n.a.
Occupational illness rate (OIR)	0.594	0.504	0.379	0.163
Male	n.a.	n.a.	n.a.	0.147
Female	n.a.	n.a.	n.a.	0.171
Prefer not to respond /Not available ²	n.a.	n.a.	n.a.	n.a.
Severity Rate³	0.04	0.04	0.05	0.014
Male	-	-	-	0.015
Female	-	-	-	0.004
Prefer not to respond /Not available ²	-	-	-	n.a.
Other safety indicators				
Days lost days per LTC	20	21	22	10
Safety inspections	13,566	15,770	26,059	44,282
Safety observations	41,288	52,310	60,113	100,173
Health & Safety audits	257	112	66	90

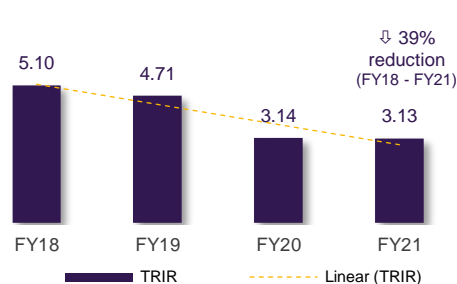
Note: rate per million hours worked

- (1) Estimation: Based on the gender distribution of the Siemens Gamesa Group at the end of fiscal year.
(2) Data not available.
(3) Severity rate calculated as (#Lost Time Days * 1,000 / #Total working hours).

Lost time Injury Frequency rate (LTIFR)



Total Recordable Injury rate (TRIR)



H3. Environmental Matters

Table 34 - Top key commodities & materials used by weight

FY21	tons	% of total
Steel - Low-alloyed	623,462	26%
Structural concrete	454,501	19%
Steel low-alloyed	447,655	19%
Glass Fiber	353,152	15%
Epoxy	151,938	6%
Cast iron	114,157	5%
Blinding concrete	27,731	1%
Balsa Wood	25,743	1%
Iron cast	22,313	1%
Electrical steel	19,557	1%
Other	121,986	5%
Grand Total	2,362,193	100%

Note: Until 2020, the table was drawn up on the basis of the information provided by the purchasing department which refers to the supply of components. The conversion of these semi-finished components into kilograms of raw materials is not straightforward and presents some difficulties in the calculation. A different approach has been adopted for the 2021 financial year: The life cycle analysis of each wind turbine specifies the kilograms of each raw material incorporated into the end product. Multiplying these quantities by the total production gives a more accurate approximation of the raw materials used. This method will be used and refined for future reports. The difference between years is therefore given by (i) the difference in production between years and (ii) the different calculation method used.

FY19	tons	FY20	tons
C-parts	386,237	Core, Resin & Process Materials	380,086
Towers - Conversion	156,212	Bearings & Lubrication	361,236
Blades - Resin & Structural Adhesive	153,940	Tower Production	156,212
Blades - Paint & Adhesive	143,678	BUY & BtP Blades	63,019
Blades - Composites	91,404	Hydraulics & Cooling	54,603
Castings	53,639	Castings	54,496
Blades - Core Material Balsa	53,052	Glass Fabrics & Carbon Materials	51,146
Blades - BUY	39,596	C-parts	44,092
Blades-Plastic,Metal parts & Lightning	34,964	Large Steel Fabrications	43,889
Electricals	33,764	Fasteners	41,095
Blades - Material Filters & Flow Kits	32,187	Generators & Segments	27,895
Bearings	27,134	Small Steel parts	25,336
Blades - BTP	23,422	Internals	15,458
Large Steel Fabrication	22,033	Transport & Lifting Equipment	15,260
Small Steel parts	19,417	Gearbox	14,437

Note: Information of previous years, according to the note above, follow only for reference..

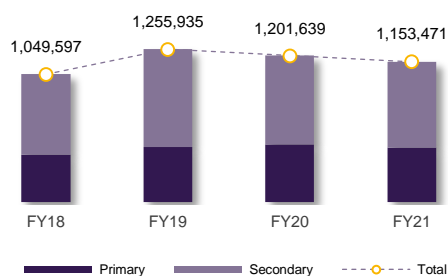
Table 35 - Energy use (Gigajoules-GJ)

	FY18	FY19	FY20	FY21
Primary energy	386,459	454,549	471,800	449,357
Natural gas + Bio natural gas	243,458	233,694	283,089	220,174
Heating Fuel	85,029	5,046	3,845	4,371
Gasoline/Diesel	39,579	188,457	159,383	196,725
Liquefied petroleum gas	18,213	27,352	25,484	28,086
Secondary energy	663,138	801,386	729,838	704,114
Electricity from standard fuel combustion sources	160,829	271,933	587	0
Electricity from renewable sources	402,986	434,958	654,910	618,385
District heating	99,323	94,495	74,341	85,729
Total Energy use	1,049,597	1,255,935	1,201,637	1,153,471

Table 36 -Energy intensity (Gigajoules/MW installed)

	FY18	FY19	FY20	FY21
Primary energy intensity	62	46	54	44
Secondary energy intensity	106	81	83	69
Total energy intensity	168	127	137	114

Energy use (GJ)



Energy intensity (GJ/MW)

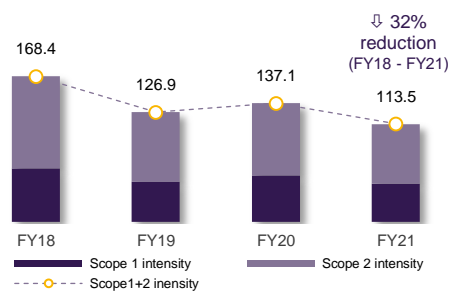


Table 37- GHG emissions (tCO₂-eq)

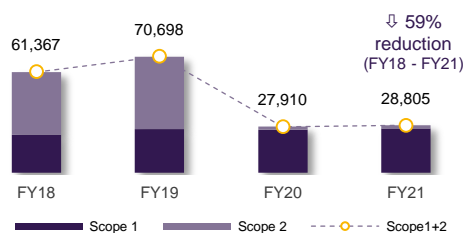
	FY18	FY19	FY20	FY21
SCOPE1 GHG emissions	22,865	26,437	26,053	26,788
Carbon dioxide (CO ₂)	-	26,389	26,009	23,834
Methane (CH ₄)	-	0.41	0.43	0.43
Nitrous oxide (N ₂ O)	-	0.14	0.12	0.14
SCOPE 2 GHG emissions	38,502	44,261	⁽¹⁾ 1,857	2,017
SCOPE 1+2 GHG emissions	61,367	70,698	27,910	28,805
SCOPE 3 GHG emissions	-	71,825	516,853	856,082
• Business Travel	-	9,739	5,101	2,777
• Air	-	9,552	4,944	2,739
• Rail	-	187	156	38
• Disposal of waste generated in operations	-	3,061	⁽²⁾ 10,666	6,376
• Employee commuting	-	4,841	3,041	3,077
• Transport & distribution	-	54,183	498,045	⁽³⁾ 843,852
• Use of sold products	-	0	0	0
TOTAL GHG emissions (1+2+3)	-	142,523	544,762	884,887
Emissions intensity Scope 1+2 (tCO₂/MW installed)	9.8	7.1	3.2	2.8
Scope 1 intensity	3.7	2.7	3.0	2.6
Scope 2 intensity	6.2	4.5	0.2	0.2

1 Decrease in Scope 2 emissions is due to the purchase of Energy Attribute Certificates (EACs) which ensure that the origin of the electricity is from renewable sources.

2 Increase in the amount of waste production is due to the increase of waste tons reported compared with FY19.

3 Increased in transport and distribution category between FY19-21 is due to the addition of jet and marine fuel data for construction and service activities

GHG emissions (t)



GHG intensity (t/MW)

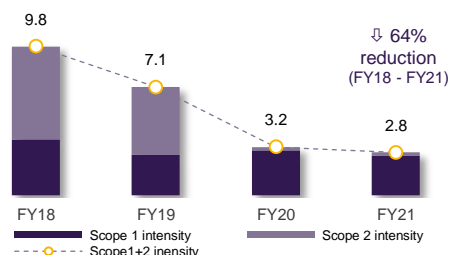


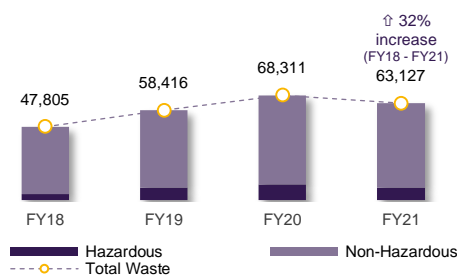
Table 38. Other atmospheric emissions (t)

	FY18	FY19	FY20	FY21
Volatile organic compounds (VOC)	254	278	231	224
Ozone depleting substances (ODS)	0	2.4 E-4	1.1 E-5	1.0 E-4
Particles	-	-	-	-
SOx	-	-	-	-
NOx	-	-	-	0.14

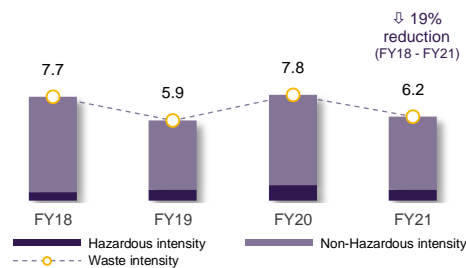
Table 39 - Waste production (t)

	FY18	FY19	FY20	FY21
Hazardous waste	4,004	8,099	10,054	8,000
Recyclable	1,892	4,413	4,215	5,532
Non-recyclable	2,112	3,686	5,839	2,468
Non-hazardous waste	43,801	50,407	58,257	55,127
Recyclable	31,006	40,605	44,686	44,349
Non-recyclable	12,795	9,802	13,571	10,778
Total waste (tons)	47,805	58,506	68,311	63,127
Waste intensity (t/installed MW)	7.7	5.9	7.8	6.2
Hazardous waste intensity	0.7	0.8	1.1	0.8
Non-hazardous waste intensity	7.0	5.1	6.6	5.4

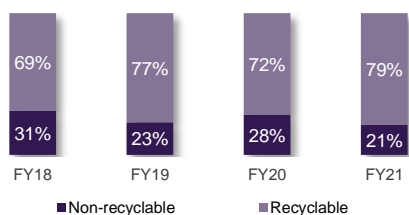
Waste production (t)



Waste intensity (t/MW)



Total waste (t) by nature



Waste destination in fiscal year 21

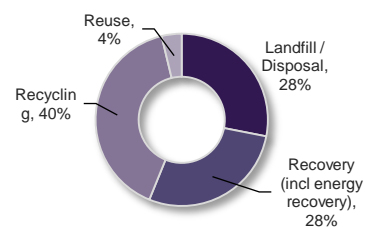


Table 40. Water consumption (m3)

	FY18	FY19	FY20	FY21
Fresh water	428,835	449,550	453,608	469,888
Underground water	6,673	89,693	40,984	37,537
Ground and surface water for cooling purposes (*)	10,130	127,115	25,142	45,751
Recycled water from external sources	n.a.	394	2,795	94
Siemens Gamesa Group (**)	445,638	666,753	522,530	553,270

(*) Returned to receiving water body chemically unchanged, but warmed.

(**) Excluding recycled water treated internally

Figure 36 - Water balance FY 2021

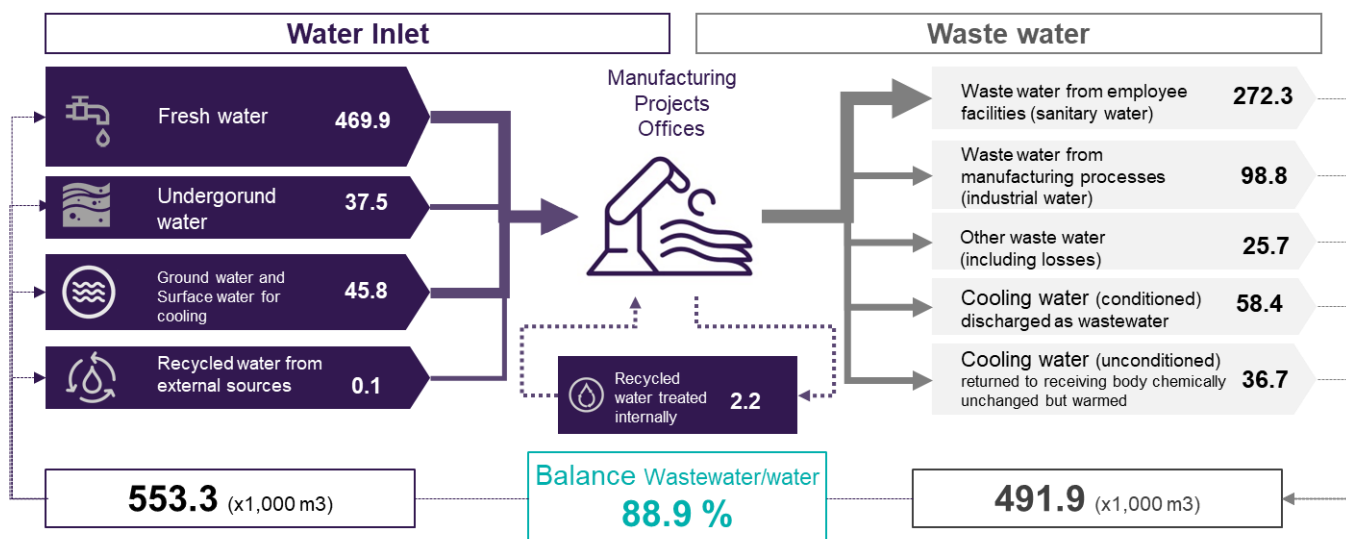


Table 41- Wastewater produced (m3)

	FY18	FY19	FY20	FY21
Wastewater from employee facilities	139,011	121,080	218,691	272,349
Wastewater form manufacturing processes	220,819	164,640	95,933	98,793
Other wastewater (including losses)	81,216	0	9,778	25,671
Cooling water (unconditioned) discharged as wastewater	0	7,592	17,497	36,653
Cooling water (conditioned) returned to receiving water body chemically unchanged, but warmed	10,130	35,245	328	58,397
Total wastewater	451,176	328,556	342,227	491,862

Table 42 - Environmental incidents

	FY18	FY19	FY20	FY21
Spills	-	-	1,042	861
Biodiversity impact	-	-	153	125
Environmental non-conformity	-	-	368	403
Fire, smoke, explosion	-	-	114	14
Stakeholder complaint (noise, smell, dust)	-	-	362	30
Weather or natural disaster (floods, winds)	-	-	524	64
Another environmental incident	-	-	1,551	-
Total environmental incidents	-	-	4,114	1,497

Table 43 - Environmental benefits-savings (cumulative at fiscal year-end)

	FY18	FY19	FY20	FY21
MW installed (annual)	6,234	9,895	8,767	10,164
GW installed (cumulative)	88.8	98.7	107.5	117.7
TWh/year (cumulative)	272	303	332	388
NOx prevented (cumulative million tons)	1.9	2.1	2.3	2.7
SO ₂ prevented (cumulative million tons)	1.0	1.2	1.3	1.5
toe prevented (cumulative million tons)	23.4	26.0	28.5	33.3
CO ₂ emissions prevented (cumulative million tons)	231	257	281	329

Note: On the conversion factors used. World fossil fuel emission factor: 849grCO₂/kWh; Conversion toe/MWh (1toe=11.63 MWh): 0,0859 toe/MWh; Conversion tSO₂ avoided per MWh generated: 0,0038 t/MWh; Conversion t NOx avoided per MWh generated: 0,006875 t/MWh. Hours equivalent to year group average: 3066.

Figure 37 - Global warming potential ⁹⁵ (GWP-100y) during the lifecycle of Siemens Gamesa wind turbines

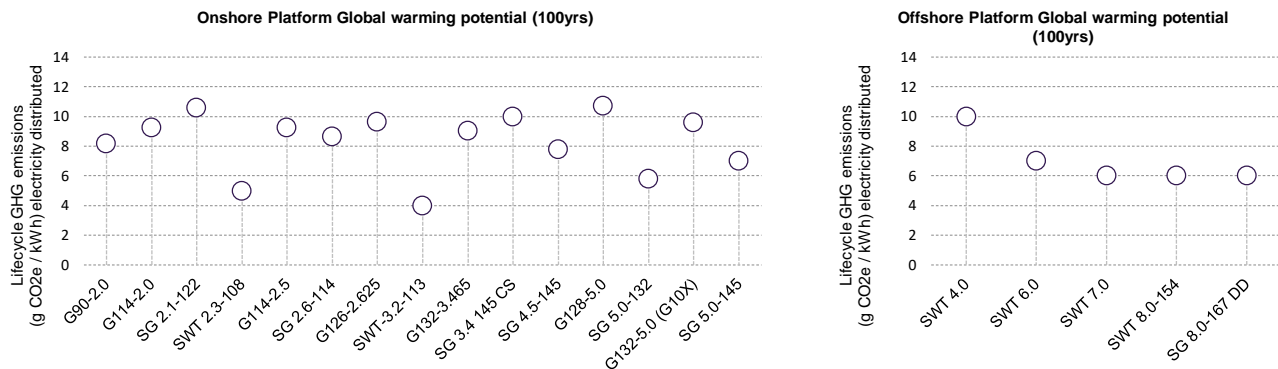


Table 44. Environmental expenses

(€ thousand)	FY20	FY21
Energy consumption	17,802	23,491
Waste management	7,776	3,552

Table 45- Lifecycle assessments (LCA) and environmental product declarations (EPD)

	FY18	FY19	FY20	FY21
# LCAs	16	20	23	24
# EPDs	14	17	20	21

H4. Society Matters

Table 46– Compliance training

	FY18	FY19	FY20	FY21
Number of employees that attended the Compliance Basic Training until Sept. 30, 2021 (including prior years)	-	-	2,470	9,938
Number of active employees that completed the Business Conduct Guidelines e-learning until Sept. 30, 2021 (including prior years)	-	-	7,971	14,740
Number of active employees that completed the Protecting our Personal Data e-learning until Sept. 30, 2021 (including prior years)	-	-	-	13,795
Number of active employees that completed the Export Control & Customs (ECC) - Global Awareness e-learning until Sept. 30, 2021 (including prior years)	-	-	12,769	14,371

Table 47- Compliance cases

	FY18	FY19	FY20	FY21
Reports received via Compliance channel (Integrity Hotline)	64	46	64	55
Compliance cases reported at the end of period	53	37	49	51
Disciplinary sanctions	6	7	26	28
• of which dismissals	n.a.	6	15	13
• of which warnings	n.a.	1	10	14
• of which other ⁹⁶	n.a.	0	1	1
Open investigations at the end of period ⁹⁷	11	13	33	23
Closed investigations at the end of period	11	20	21	40
• of which without findings	n.a.	10	6	15
• of which fraud	n.a.	7	8	11
• of which competition law	n.a.	0	1	2
• of which accounting issues	n.a.	1	0	0
• of which others	n.a.	2	6	12

Table 48 - Expenses in memberships and associations (€million)

	FY18	FY19	FY20	FY21
Membership fees	3.2	3.6	3.6	3.0

Table 49 - Key memberships and trade associations in the wind sector











Global		Regional	
 <p>The Global Wind Energy Council is the international trade association for the wind power industry. Our mission is to ensure that wind power establishes itself as the answer to today's energy challenges, providing substantial environmental and economic benefits.</p>		 <p>WindEurope is the voice of the Wind Industry at European level. Encompassing industry representation (OEMs, operators, developers, utilities, suppliers, research, etc. Status of SGRE membership: Leading Member (highest category)</p>	
National			
 <p>AWEA is the voice of the wind sector in the U.S. As a trade association, it represents and defends the interests of the wind sector. SGRE is on the Executive Committee of the Board.</p>	 <p>ACORE is a U.S. nonprofit that works to promote renewable energy. It educates policy makers and regulators about how to transition to a carbon free energy system. SGRE is on the Board of Directors.</p>	 <p>German Machine Building Association. Representation of OEMs and suppliers for both Onshore and Offshore Wind Energy. Energy policies and technical groups (e.g. aviation marking and lighting, decommissioning, etc.)</p>	 <p>The Spanish Wind Energy Association (AEE) is the voice of the wind sector in Spain. It promotes the use of wind energy in Spain, Europe and worldwide. It represents and defends the interests of the sector.</p>
 <p>WindDenmark. Representation of OEMs, suppliers and developers for both Onshore and Offshore Wind Energy in DK. Policies and technical groups.</p>	 <p>RenewableUK. Supports +400 companies to ensure increasing amounts of renewable electricity is deployed across the UK and access markets to export. Members are business leaders, innovators, and expert from right across industry.</p>	 <p>Indian Wind Turbine Manufacturers Association (IWTMA) is the apex business association and voice of the Indian Wind Industry.</p>	 <p>The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the development of India, partnering industry, Government and civil society, through advisory and consultative processes.</p>

Table 50 - Purchasing volume ⁹⁸

(€million)	FY18	FY19	FY20	FY21
Europe, Middle East and Africa	4,185	5,692	4,376	3,809
Americas	978	1,401	1,783	1,577
Asia, Australia	867	1,144	1,206	1,477
Purchasing volume (PVO)	6,030	8,238	7,365	6,863

Table 51 - Tier-1 suppliers ⁹⁸

	FY18	FY19	FY20	FY21
Europe, Middle East and Africa	10,162	11,340	11,481	11,618
Americas	3,506	3,542	4,042	3,837
Asia, Australia	3,383	3,571	4,014	4,494
No. tier-1 suppliers	17,051	17,890	18,932	19,363

Tier-1 suppliers: Suppliers that deal directly with and directly invoice to Siemens Gamesa)

Table 52 - Purchasing volume (PVO) under sustainability focus

(€million)	FY18	FY19	FY20	FY21
PVO of Critical tier-1 Suppliers	2,061	2,037	2,275	2,301
Europe, Middle East and Africa	1,323	1,397	990	1,076
Americas	300	228	320	376
Asia, Australia	438	412	965	849
PVO Sustainability High-risk suppliers	724	1,089	1,168	1,521
Europe, Middle East and Africa	262	503	348	407
Americas	83	179	244	277
Asia, Australia	278	407	576	837

Table 53 - No. of suppliers under sustainability focus

	FY18	FY19	FY20	FY21
No. of Critical tier-1 Suppliers	1,061	748	1,283	1,302
Europe, Middle East and Africa	487	356	380	710
Americas	255	142	150	89
Asia, Australia	319	375	895	53
No. of Sustainability high-risk suppliers	792	480	468	823
Europe, Middle East and Africa	268	111	110	295
Americas	208	85	78	214
Asia, Australia	316	364	362	412

Table 54 - Purchasing volume (PVO) covered by Supplier Code of Conduct

PVO (€million)	FY18		FY19		FY20		FY21	
	PVO (€million)	% total PVO	PVO (€million)	% total PVO	PVO (€million)	% total PVO	PVO (€million)	% total PVO
Purchasing volume (PVO)	3,949	65%	6,898	84%	6,269	85%	5,708	89%
Europe, Middle East and Africa	2,927	70%	4,880	86%	3,823	87%	3,303	94%
Americas	650	66%	1,115	80%	1,488	83%	1,384	90%
Asia, Australia	371	43%	903	79%	958	79%	1,021	73%

Table 55 - Supplier monitoring

(number)	FY18	FY19	FY20	FY21
Sustainability Self-Assessments (CRSA)	1,104	1,132	783	444
Europe, Middle East and Africa	706	764	411	148
Americas	179	224	169	112
Asia, Australia	219	281	270	227
External Sustainability Audits	201	130	199	112
Europe, Middle East and Africa	111	86	118	68
Americas	48	44	54	36
Asia, Australia	42	35	56	24
Quality audits with sustainability questions	146	323	197	374
Europe, Middle East and Africa	83	142	90	203
Americas	17	88	36	83
Asia, Australia	46	93	71	88

I. Law 11/2018 Content Index

Index of contents required by Law 11/2018, of December 28, which modifies the Commercial Code, the revised text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of July 2, and Law 22/2015, of July 20, on Audit of Accounts, regarding non-financial information and diversity.

	Section of the report	Internal Code	Reporting Criteria applied	Page in report	Reason for omission
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I1. General topics

I1.1 Business Model

Brief description of the Group's business model	Our Company (A1.1)	L11G01	GRI 102-1	5; 6	
	Our Company (A1.4)	L11G01	GRI 102-2	5; 6	
	Our Company (A1.4)	L11G01	GRI 102-3	5; 6	
	Our Company (A1.3)	L11G01	GRI 102-5	5; 6	
	Our Company (A1.4)	L11G01	GRI 102-7	5; 6	
	Our Company (A1.7)	L11G01	GRI 102-10	5; 8	
	Our Company (A6)	L11G01	GRI 102-18	5; 14	
Markets where it operates	Our Company (A1.1)	L11G02	GRI 102-4	5; 5	
	Our Company (A1.1)	L11G02	GRI 102-6	5; 6	
Organizational objectives and strategies	Corporate Strategy (A3)	L11G03	GRI 102-14	11; 11	
	Corporate Strategy (A3)	L11G03	GRI 102-40	11; 18	
	Corporate Strategy (A3)	L11G03	GRI 102-44	11; 78	
Key factors and trends that could affect the future outlook	Business environment (A2)	L11G04	GRI 102-14	9; 11	
	Business environment (A2)	L11G04	GRI 102-15	9; 18	

I1.2 General

Reporting framework	About this report (F)	L11G05	GRI 102-45	76; 76	
			GRI 102-46	76; 76	
			GRI 102-47	76; 18	
			GRI 102-50	76; 76	

I1.3 Management Approach

Description of applied policies	Sustainability (A7.1)	L11G06	GRI 103-1 GRI 103-2	18	
Results of these policies	Sustainability (A7.9)	L11G07	GRI 103-3	20	
Risks related to the aspects linked to the Group's activities	Risk Management (A4.1)	L11G08	GRI 102-15	12	

	Section of the report	Internal Code	Reporting Criteria applied	Page in report	Reason for omission
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12. Environmental matters

12.1 Environmental management

Current and foreseeable impact of the Company's activities on the environment	Environmental management (C1.1)	L11M01	GRI 102-15	42	
Environmental assessment and certification procedures	Environmental management (C1.3)	L11M02	GRI 103-2 Management approach to environment	42	
Resources devoted to environmental risk prevention	Environmental management (C1.3)	L11M03	GRI 103-2 Management approach to environment	42	
Implementation of the precautionary principle	Environmental management (C1.3)	L11M04	GRI 102-11	42	
Amount of provisions and warranties for environmental risks	Environmental management (C1.1)	L11M05	GRI 103-2 Management approach to environment	42	

12.2 Pollution

Measures to prevent, reduce or repair carbon emissions (includes noise and light pollution)	Climate Change (C2.5)	L11M06	Internal operating framework	52	Note 1
	Sustainable use of resources (C3.5)	L11M08	Internal operating framework	54	

12.3 Circular economy and waste prevention and management

Measures related to prevention, recycling, reuse and other form of waste recovery and disposal	Sustainable use of resources (C3.10)	L11M07	GRI 103-2 Management approach to waste Internal operating framework	55	
Actions to avoid food waste	Sustainable use of resources (C3.1)	L11M09	Internal operating framework	53	

12.4 Sustainable use of resources

Water consumption and water supply in accordance with local limitations	Sustainable use of resources (C3.7)	L11M10	GRI 303-1	54	
Consumption of raw materials and measures to improve the efficiency in use	Sustainable use of resources (C3.2)	L11M11	GRI 103-2 Management approach of materials Internal operating framework	53	
Consumption, direct and indirect, of energy measures taken to improve energy efficiency and the use of renewable energies	Sustainable use of resources (C3.3)	L11M12	GRI 103: Management approach to energy GRI 302-1 GRI 305-4	53	
Use of renewable energies	Sustainable use of resources (C3.3)	L11M13	GRI 302-1	53	

12.5 Climate change

Important elements of greenhouse gas emissions generated as a result of the activities of the Company	Climate change (C2.1)	L11M14	GRI 103-2 Management approach to emissions GRI 305-1 GRI 305-2 GRI 305-5	46	
Measures to adapt to climate change	Climate change (C2.4)	L11M15	GRI 103-2 Management approach to emissions	50	
Voluntary medium and long-term targets set to reduce greenhouse gas emissions and the measures implemented to that end	Climate change (C2.5)	L11M16	GRI 103-2 Management approach to emissions Internal operating framework	52	

12.6 Protection of biodiversity

Measures to preserve or restore biodiversity	Sustainable use of resources (C3.11)	L11M17	GRI 103-2 Management approach to biodiversity Internal operating framework	56	
Significant impacts of activities, products, and services on biodiversity	Sustainable use of resources (C3.11)	L11M18	Internal operating framework	56	

	Section of the report	Internal Code	Reporting Criteria applied	Page in report	Reason for omission
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13. Social and Human Resources related matters

13.1 Employment

Total number of employees and distribution by country, gender, age and occupational classification	Working at Siemens Gamesa (B1.6)	L11HR01	GRI 103-2 Management approach to employment GRI 102-8 GRI 405-1	23	
Total number and distribution of the conditions of the work contract	Working at Siemens Gamesa (B1.7)	L11HR02	GRI 102-8 Internal data linked to Workday- SAP system procedure	23	
Annual average of permanent, temporary and part-time contracts by sex, age and professional category	Working at Siemens Gamesa (B1.7)	L11HR03	GRI 102-8 GRI 405-1	23	
Number of dismissals by sex, age and professional category	Working at Siemens Gamesa (B1.8)	L11HR04	GRI 401-1	23	
Average remuneration by sex, age and professional category	Diversity and Equal Opportunity (B3.4)	L11HR05	GRI 405-2	31	
Gender pay gap, the remuneration of equal or average jobs in society	Diversity and Equal Opportunity (B3.4)	L11HR06	GRI 103-2 Management approach of employment GRI 405-2	31	
Average remuneration of counselors and managers by sex	Our Company (A5.5)	L11HR07	Internal operating framework	15	
Implementation of policies to allow employees to disconnect from work	Diversity & Equal Opportunity (B3.4.5)	L11HR08	Internal operating framework	31	
Number of employees with disabilities	Diversity & Equal Opportunity (B3.4.3)	L11HR09	Internal operating framework	30	

13.2 Work organization

Working hours organization	Working at Siemens Gamesa (B1.2)	L11HR10	Internal operating framework	22	
Number of hours of absenteeism	Occupational Health & Safety (B2.8)	L11HR11	Internal operating framework	26	
Measures to promote work-life balance and co-parenting responsibilities	Diversity & Equal Opportunity (B3.4.5)	L11HR12	GRI 103-2 Management approach of employment	31	

13.3 Health & Safety

Health & safety conditions in the workplace	Occupational Health & Safety (B2.1)	L11HR13	GRI 103-2 Management approach of Health & Safety	24	
Number of work accidents and occupational diseases by sex, frequency and severity rate by gender	Occupational Health & Safety (B2.8)	L11HR14	Internal operating framework	26	

13.4 Labour relations

Social dialogue organization	Labor Relations (B4.1)	L11HR15	GRI 103-2 Management approach to labour relations	33	
Percentage of employees covered by collective agreements, by country	Labor Relations (B4.2)	L11HR16	GRI 102-41	33	
Results of collective agreements, especially in the field of health and safety	Labor Relations (B4.2)	L11HR17	Internal operating framework	33	

13.5 Training

Training policies implemented	Talent management and learning (B5.6)	L11HR18	GRI 103-2 Management approach to learning and training	36	
Number of hours of training by professional category	Talent management and learning (B5.11)	L11HR19	GRI 404-1	38	

13.6 Accessibility

Universal accessibility of people with disabilities	Diversity & Equal Opportunity (B3.4.3)	L11HR20	GRI 103-2 Management approach of diversity, equality and no discrimination	31	
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I3.7 Equality					
Measures taken to promote equal treatment and equal opportunities for women and men	Diversity & Equal Opportunity (B3.1)	L11HR21	GRI 103-2 Management approach diversity, equality and no discrimination	28	
Equality plans measures adopted to promote employment, protocols against sexual and gender-based harassment	Diversity & Equal Opportunity (B3.3)	L11HR22	GRI 103-2 Management approach diversity, equality and no discrimination	28	
Integration and universal accessibility for people with disabilities	Diversity & Equal Opportunity (B3.4.3)	L11HR23	GRI 103-2 Management approach diversity, equality and no discrimination	31	
Policy against all types of discrimination and, where appropriate, management of diversity	Diversity & Equal Opportunity (B3.2)	L11HR24	GRI 103-2 Management approach diversity, equality and no discrimination	28	

14. Information on respect for Human Rights

I4.1 Human Rights

Application of due diligence procedures in the field of human rights, preventing the risks of violation of human rights and, where appropriate, measures to mitigate, manage and repair possible abuses	Human Rights (D2.1)	L11H01	GRI 103: Management approach to human rights GRI 102-17	61	
Complaints about cases of violation of human rights	Human Rights (D1.9)	L11H02	Internal operating framework	60	
Promotion of and compliance with the provisions of the fundamental conventions of the International Labour Organization regarding freedom of association and the right to collective bargaining, the elimination of job discrimination, the elimination of forced labour and the effective abolition of child labour.	Human Rights (D2.2)	L11H03	GRI 103-2 Management approach to human rights GRI 407-1	62	

15. Disclosures on the fight against corruption and bribery

I5.1 Corruption and bribery

Measures taken to prevent corruption and bribery	Ethics, Integrity and anti-corruption (D1.5)	L11C01	GRI 103-2 Management approach to Compliance GRI 102-17 Internal operating framework	59	
Measures to combat money laundering	Ethics, Integrity and anti-corruption (D1.7)	L11C02	Internal operating framework GRI 206-1	59	
Contributions to non-for-profit organizations	Ethics, Integrity and anti-corruption (E1.5)	L11C03	Internal operating framework GRI 102-13	67	

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16. Information about society

16.1 Commitment to sustainable development

Impact of the Company's activity on employment and local development	Sustainability (A7.1)	L11SO01	GRI 103-2 Management approach to local communities	18	
Impact of the Company's activity on local populations and territories	Social Commitment (E1.1)	L11SO02	Internal operating framework	64	
Company's relations with local communities' agents and dialogue channels	Social Commitment (E1.4)	L11SO03	GRI 102-12 GRI 102-13	64	
Partnerships and sponsorship actions	Memberships and associations (E2.1)	L11SO04	GRI 102-13	68	

16.2 Sustainable supply chain

Inclusion of social, gender equality and environmental matters in the Company's purchasing policy	Responsible Supply chain (E3.4)	L11SO05	GRI 103-2 Management approach to responsible supply chain	70	
Consideration of social and environmental responsibility in relations with suppliers and subcontractors	Responsible Supply chain (E3.7)	L11SO06	GRI 102-9 GRI 308-1	72	
Monitoring and supervision systems and related results	Responsible Supply chain (E3.8)	L11SO07	GRI 102-9 Internal operating framework	72	

16.3 Consumer relationship

Measures to protect consumers' health and safety	Occupational Health & Safety (B2.10)	L11SO08	GRI 103-2 Management approach	27	
Claims systems	Our Company (A5.6)	L11SO09	Internal reporting framework	15	
Complaints received and resolution of them	Ethics, Integrity and anti-corruption (D1.9)	L11SO10	Internal reporting framework	60	

16.4 Tax information

Profits obtained per country	Responsible Tax (E4.4)	L11SO11	Internal data linked to SAP system	75	
Taxes paid on profits	Responsible Tax (E4.4)	L11SO12	Internal data linked to SAP system	75	
Public subsidies received	Responsible Tax (E4.5)	L11SO13	GRI 201-4 Internal data linked to SAP system	75	

Notes included into the Law 11/2018 content index:

Note 1: Light pollution is not considered a material aspect for Siemens Gamesa.

J. List of End Notes

- 1 This transaction is after 30 Sep 2021 (15 Oct 2021)
- 2 Siemens Gamesa location finder. Link: <https://www.siemensgamesa.com/en-int/about-us/location-finder>
- 3 Siemens Gamesa Renewable Energy -Capital Markets Day 2020Unleashing the full potential of Siemens Gamesa Link: <https://www.siemensgamesa.com/-/media/siemensgamesa/downloads/en/investors-and-shareholders/periodic-information/2020/capital-market-day-2020/cmd-presentation.pdf>
- 4 General Risk Control and management policy. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/investors-and-shareholders/corporate-governance/corporate-policies/general-risk-control-and-management-policy.pdf>
- 5 See Siemens Gamesa Annual Corporate Report 2021. Link: <https://www.siemensgamesa.com/en-int/investors-and-shareholders/corporate-governance>
- 6 See Siemens Gamesa Website. Corporate Governance section. Link: <https://www.siemensgamesa.com/en-int/investors-and-shareholders/corporate-governance>
- 7 See Regulations for the General Meeting of Shareholders of Siemens Gamesa Renewable Energy S.A. (Revised text prepared after the amendments approved by the shareholders at the General Meeting of Shareholders held on 22 July 2020). Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/investors-and-shareholders/corporate-governance/internal-corporate-rules/20200722-reclamato-iga-sgreenglish-def.pdf?la=en-bz&hash=1AD68DA60756B46C293F5083B4F96C0E08B6A39>
- 8 Section C.1 of Siemens Gamesa Renewable Energy, S.A. Annual Corporate Governance Report 2021 at Link: <https://www.siemensgamesa.com/en-int/investors-and-shareholders/corporate-governance>
- 9 See Regulations of the Delegated Executive Committee of Siemens Gamesa Renewable Energy, S.A. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/investors-and-shareholders/corporate-governance/internal-corporate-rules/20201104-reclamato-comisin-giecutiva-sgre-eng-def.pdf>
- 10 Chapter II of the Regulations of the Audit, Compliance and Related-Party Transactions Committee (Consolidated text endorsed by the Board of Directors dated June 14, 2021) Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/investors-and-shareholders/corporate-governance/internal-corporate-rules/20210614-acrpt-regulations.pdf>
- 11 Chapter II of the Regulations of the Appointments and Remunerations Committee (Consolidated text endorsed by the Board of Directors dated April 30, 2021) Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/investors-and-shareholders/corporate-governance/internal-corporate-rules/20210430-reclamato-cnr-eng-def.pdf> (siemensgamesa.com)
- 12 Annual Corporate Governance Report 2021 for further details. Link: <https://www.siemensgamesa.com/en-int/investors-and-shareholders/corporate-governance>
- 13 2021 Annual Report on Remuneration of Directors. Link: <https://www.siemensgamesa.com/en-int/investors-and-shareholders/corporate-governance/corporate-policies/remuneration-of-directors-2021.pdf>
- 14 S&P Global Ratings: ESG Evaluation: Siemens Gamesa Renewable Energy S.A. Link: <https://www.spglobal.com/ratings/en/research/pdf/articles/210601-esg-evaluation-siemens-gamesa-renewable-energy-s-a-100120714>
- 15 S&P Global Corporate Sustainability Assessment (CSA) site. Link: <https://www.spglobal.com/esg/scores/results?cid=5022875>
- 16 Sustainability Analytics Company ESG Risk Ratings. Link: <https://www.sustainabilitytics.com/esg-rating/siemens-gamesa-renewable-energy-s-a/1373974308>
- 17 MSCI ESG Ratings Corporate Search Tool. Link: <https://www.msci.com/our-solutions/esg-investing/esg-ratings/esg-ratings-corporate-search-tool>
- 18 Bloomberg Gender-Equality Index 2021. Link: https://assets.bbhub.io/company/sites/46/2021/01/GEI2021_MemberList_FNL.pdf
- 19 Carbon Disclosure Project (CDP) company responses. Link: <https://www.cdp.net/en/responses?utf8=%E2%9C%93&queries%5Bname%5D=siemens+gamesa>
- 20 Sustainability policy. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/investors-and-shareholders/corporate-governance/corporate-policies/sustainability-policy-august-2017.pdf>
- 21 Siemens Gamesa Website. Link: <https://www.siemensgamesa.com/en-int>
- 22 United Nations Global Compact website. Link: <https://www.unglobalcompact.org/what-is-gc/participants/4098>
- 23 Siemens Gamesa Sustainability Strategy 2040. Link: <https://www.siemensgamesa.com/en-int/newsroom/2021/07/210721-siemens-gamesa-press-release-launches-new-sustainability-strategy>
- 24 Siemens Gamesa Policy. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/sustainability/siemens-gamesa-policy-august-2017.pdf>
- 25 Group policy on Diversity and Inclusion Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/investors-and-shareholders/corporate-governance/corporate-policies/diversity-and-inclusion-policy.pdf>
- 26 Protocol of action in case of Harassment and Discrimination of Siemens Gamesa Renewable Energy. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/sustainability/diversity/protocol-of-action-in-case-of-harassment.pdf>
- 27 Director Selection Policy. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/investors-and-shareholders/corporate-governance/corporate-policies/director-selection-policy.pdf?la=en-bz&hash=695666CBA00719446F58B3C7F6480CBA66A880E>
- 28 Women Empowerment Principles (WEP) list of signatories. Link: <https://www.weps.org/companies>
- 29 United Nations Target Gender Equality program list of signatories. Link: <https://undlobalcompact.org/take-action/target-gender-equality/participation>
- 30 American Council on Renewable Energy (ACORE). Accelerate membership program. Link: <https://acore.org/our-members/>
- 31 Spanish Diversity Charter (Fundación Diversidad). Link: <https://fundaciondiversidad.com/>
- 32 Fundación másfamilia. Link: <https://www.masfamilia.org/blog/charter-teletrabajo-2021/>
- 33 Business Network for the LGTBI Diversity and Inclusion (REDI). Link: <https://www.redi-lgbti.org/asociadas>
- 34 Bloomberg's 2021 Gender-Equality Index. Link: <https://www.bloomberg.com/company/press/bloombergs-2021-gender-equality-index-reveals-increased-disclosure-as-companies-reinforce-commitment-to-inclusive-workplaces/>
- 35 2021 Variable Report from Intrama's ECDI Network Link: <https://www.intrama.es/red-ecdi#EMPRESASASOCIADAS>
- 36 Siemens Gamesa Global Framework Agreement (GFA). Link: <http://www.industrial-union.org/industrial-renews-global-agreement-with-siemens-gamesa>
- 37 Siemens Gamesa announces preliminary results for the third quarter of financial year 2021 and updates the guidance for financial year 2021. Link: <https://www.siemensgamesa.com/en-int/newsroom/2021/07/210714-siemens-gamesa-press-release-pre-third-quarter-results-fiscal-year-2021>
- 38 Wind University is a Siemens Gamesa Department that supports the business with development of training and learning Activities, as well as manages qualification and certification for production and site personnel.
- 39 Report relating to item seven on the Agenda of the Shareholders' General Meeting regarding the proposal for a Long-Term Incentive Plan for the period from fiscal year 2018 through 2020. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/investors-and-shareholders/corporate-governance/general-shareholders-meetings/2018/documentacion-with-supplement/informe-ilp-2018-agm.pdf>
- 40 Sustainability Strategy. Link: <https://www.siemensgamesa.com/en-int/newsroom/2021/07/210721-siemens-gamesa-press-release-launches-new-sustainability-strategy>
- 41 Siemens Gamesa Sustainability policy. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/investors-and-shareholders/corporate-governance/corporate-policies/20210916-sustainability-policy-def.pdf?la=en-bz&hash=6FD106DEBA21E95AD17AFE74B70E2E1287FC525E>
- 42 Siemens Gamesa Policy. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/sustainability/siemens-gamesa-policy-august-2017.pdf>
- 43 Siemens Gamesa Health, Safety and Environment Policy. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/sustainability/siemens-gamesa-policy-august-2017.pdf>
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- 45 Greener, cheaper and more efficient service operations with a new type of vessel. Link: <https://www.siemensgamesa.com/en-int/newsroom/2021/07/210721-siemens-gamesa-press-release-launches-new-sustainability-strategy>
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- 47 Vietnamese solar helps power a new dawn for wind's sustainable supply chain. Link: <https://www.siemensgamesa.com/en-int/explore/journal/2020/04/siemens-gamesa-carbon-neutral>
- 48 Hybrid power and storage. Link: <https://www.siemensgamesa.com/en-int/explore/journal/2020/04/siemens-gamesa-carbon-neutral>
- 49 Science Based Targets Initiative. Link: <https://sciencebasedtargets.org/>
- 50 American Business Act on Climate Pledge. Link: <https://obamawhitehouse.archives.gov/the-press-office/2015/12/01/white-house-announces-additional-commitments-american-business-act>
- 51 Paris Pledge for Action. Link: <http://www.parispledgeforaction.org/whos-joined/>
- 52 Sustainability policy. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/investors-and-shareholders/corporate-governance/corporate-policies/20210916-sustainability-policy-def.pdf?la=en-bz&hash=6FD106DEBA21E95AD17AFE74B70E2E1287FC525E>
- 53 Task force on climate-related financial disclosures. Link: <https://www.fsb-tcfd.org/>
- 54 Siemens Gamesa is carbon neutral. Link: <https://www.siemensgamesa.com/en-int/explore/journal/2020/04/siemens-gamesa-carbon-neutral>
- 55 HSE Aspect: Element of an organization's activities (products, processes or services) which interact or can interact with the environment or may result in harm or injury to people or property.
- 56 RecyclableBlade. Link: <https://www.siemensgamesa.com/newsroom/2021/09/launch-world-first-recyclable-wind-turbine-blade>
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- 58 DecomBlades consortium. Link: <https://www.siemensgamesa.com/newsroom/2021/01/210125-siemens-gamesa-press-release-decomblades-launched>
- 59 Offshore Coalition for Energy and Nature (OCEAN). Link: <https://offshore-coalition.eu/>
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- 61 ACRPTC: Audit Compliance Related Party Transaction Committee
- 62 Global Framework Agreement. Link: <http://www.industrial-union.org/industrial-renews-global-agreement-with-siemens-gamesa>

- 63 Human Rights Policy. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/investors-and-shareholders/corporate-governance/corporate-policies/human-rights-policy.pdf?la=en-bz&hash=F332C18BD58C8E5CE8C50824E4AEB31C562D2DF1>
- 64 Siemens Gamesa Social Commitment video #1 (Social Commitment). Link: <https://www.youtube.com/watch?v=s8-KW1hkizE&list=PL9eXVmBTiYtZr4RlFXnf4vIaU1XpYq7&index=3>
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- 67 Social Commitment Strategy. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/sustainability/social-commitment/siemens-gamesa-social-commitment-strategy-en.pdf>
- 68 STEM: Science, Technology, Engineering and Mathematics
- 69 International Energy Agency (IEA). The carbon footprint of streaming video: fact-checking the headlines. Link: <https://www.iea.org/commentaries/the-carbon-footprint-of-streaming-video-fact-checking-the-headlines>
- 70 Africa-Europe Foundation. Link: <https://www.friendsofeurope.org/initiatives/africa-europe-foundation/>
- 71 US Climate Action Week. Link: <https://www.theclimategroup.org/us-climate-action-week>
- 72 GWEC: An open letter from the wind energy industry to G20 and world leaders: It's time to get serious about renewables . Link: <https://gwec.net/an-open-letter-from-the-wind-energy-industry-to-g20-and-world-leaders-its-time-to-get-serious-about-renewables>
- 73 GWEC: Global Wind Coalition for COP26. Link: <https://windareyouin.com/>
- 74 We Mean Business Coalition. Link: <https://www.wemeanbusinesscoalition.org/press-release/g20-2021/>
- 75 GWEC: Global Wind Energy Manifesto for COP26. Link: <https://gwec.net/cop26-manifesto/>
- 76 B20 Energy & Resource Efficiency Task Force. Link: <https://www.b20italy2021.org/taskforce/energy-resource-efficiency/>
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- 78 Offshore Coalition. Link: <https://offshore-coalition.eu/>
- 79 Renewable Hydrogen Coalition. Link: <https://renewableh2.eu/>
- 80 European Clean Hydrogen Alliance. Link: https://ec.europa.eu/growth/industry/policy/european-clean-hydrogen-alliance_en
- 81 European Raw Materials Alliance (ERMA). Link: <https://erma.eu/>
- 82 We mean business letter to Biden Administration. Link: <https://www.wemeanbusinesscoalition.org/ambitious-u-s-2030-ndc/>
- 83 Siemens Gamesa Supplier Relationship policy. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/investors-and-shareholders/corporate-governance/corporate-policies/supplier-relationship-policy.pdf?la=en-bz&hash=552A19E60659E142285C31B2E6921EE4D2041196>
- 84 Code of Conduct for Suppliers and Third-Party Intermediaries. Link: https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/sustainability/code-of-conduct/code_of_conduct_for_suppliers_and_third_party_intermediaries_en.pdf?la=en-bz&hash=D284F9974754A8848ABC85A15035AF0F1022B007
- 85 General Purchasing Conditions. Link: https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/sustainability/purchase-conditions/siemens-gamesa-gpc-002-2018-06-en_sgre-general-purchasing-conditions.pdf?la=en-bz&hash=1AAE86231AB9BD2E3918DE4EEE1DA5BB0DDC316B
- 86 Supplier Code of Conduct. Link: https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/sustainability/code-of-conduct/code_of_conduct_for_suppliers_and_third_party_intermediaries_en.pdf?la=en-bz&hash=D284F9974754A8848ABC85A15035AF0F1022B007
- 87 Booklet for Code of Conduct for Suppliers and Third-Party Intermediaries. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/sustainability/suppliers/sgre-conduct-suppliers-and-party-intermediaries.pdf?la=en-bz&hash=D17D5001EF6FD9744633CBC0FE133C20AC0104C0>
- 88 OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Link: <https://www.oecd.org/daf/inv/mne/mining.htm>
- 89 Responsible Minerals Sourcing at Siemens Gamesa. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/sustainability/suppliers/sgre-responsible-mineral-sourcing.pdf?la=en-bz&hash=83DA2140B2BCA35FD106F0A0B12CF42924C62155>
- 90 Siemens Gamesa Corporate Tax policy. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/investors-and-shareholders/corporate-governance/corporate-policies/corporate-tax-policy.pdf>
- 91 AENOR. Link: <https://www.en.aenor.com/certificacion/certificado?codigo=197479>
- 92 In FY19 there are 125 employees with no age recorded.
- 93 406 employees (1.6% of the total) are not being counted when reporting the number of contracts as their contract form is not properly recorded in the database and system.
- 94 The number of part-time contracts is already included in one of the two previous categories (either permanent or temporary).
- 95 The Global Warming Potential (GWP) was developed to allow comparisons of the global warming impacts of different gases. Specifically, it is a measure of how much energy the emissions of 1 ton of a gas will absorb over a given period of time, relative to the emissions of 1 ton of carbon dioxide (CO₂). The larger the GWP, the more that a given gas warms the Earth compared to CO₂ over that time period. The time period usually used for GWPs is 100 years. GWPs provide a common unit of measure, which enable analysts to add up emission estimates for different gases and policymakers to compare emission reduction opportunities across sectors and gases. (Source: EPA.gov)
- 96 Includes loss of variable and voluntary compensation components, transfer and suspension
- 97 Referred to as cases that had an ongoing investigation
- 98 Notice: Purchase volume based on closed purchasing orders, not on accruals.

Independent Assurance Report on the Consolidated Non-Financial Report
for the year ended September 30, 2021

Siemens Gamesa Renewable Energy, S.A. and subsidiaries



INDEPENDENT ASSURANCE REPORT ON THE CONSOLIDATED NON-FINANCIAL REPORT 2021

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

To the shareholders of Siemens Gamesa Renewable Energy, S.A.:

In accordance with article 49 of the Commercial Code, we have verified, with a limited scope, the accompanying Consolidated Non-Financial Statement (hereinafter NFS) for the year ended September 30, 2021 of Siemens Gamesa Renewable Energy, S.A. and subsidiaries (hereinafter the Group), which is part of the Group's accompanying 2021 Consolidated Management Report.

The content of the NFS contains information in addition to that required by prevailing company law in respect of non-financial information that was not included in the scope of our assurance work. Consequently, our work was limited exclusively to verifying the information identified in the Epigraph I "Law 11/2018 content index" included in the accompanying NFS.

Responsibility of the Board of Directors

The preparation of the NFS included in the Group's Consolidated Management Report and its content is the responsibility of the directors of Siemens Gamesa Renewable Energy, S.A. The NFS has been prepared in accordance with the content established in prevailing mercantile regulations and the criteria of the selected *Sustainability Reporting Standards de Global Reporting Initiative* (GRI standards), as well as other criteria described in accordance with that indicated for each subject in the Epigraph I "Law 11/2018 content index", included in the aforementioned Statement.

This responsibility likewise includes the design, implementation, and maintenance of the internal control considered necessary to ensure that the NFS is free of material misstatement, due to fraud or error.

The directors of Siemens Gamesa Renewable Energy, S.A. are also responsible for defining, implementing, adapting, and maintaining the management systems from which the necessary information for preparing the NFS is obtained.

Our independence and quality control

We have complied with the independence and other Code of Ethics requirements for accounting professionals issued by the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of integrity, objectivity, professional competence, diligence as well as confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 (ISQC 1), and consequently maintains a global quality control system which includes documented policies and procedures relating to compliance with ethical requirements, professional standards, and the legal and applicable regulatory provisions.

The engagement team consisted of experts in the review of Non-Financial Information and, specifically, in information about economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report. Our review has been performed in accordance with the requirements established in prevailing International Standard on Assurance Engagements 3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and the guidelines for verifying Non-Financial Statement, issued by the Spanish Official Register of Auditors of Accounts (ICJCE).

The procedures carried out in a limited assurance engagement vary in nature and timing and are smaller in scope than reasonable assurance engagements, and therefore, the level of assurance provided is likewise lower.

Our work consisted in making inquiries of management and of the Group’s various business units participating in the preparation of the NFS, reviewing the process for gathering and validating the information included in the NFS, and applying certain analytical procedures and sampling review tests as described below:

- ▶ Meeting with Group personnel to know the business model, policies and management approaches applied, the main risks related to these matters and obtain the necessary information for our external review.
- ▶ Analyzing the scope, relevance and integrity of the content included in the NFR based on the materiality analysis made by the Group and described in the Epigraph G “Materiality analysis”, considering the content required by prevailing mercantile regulations.
- ▶ Analyzing the processes for gathering and validating the data included in the 2021 NFS.
- ▶ Reviewing the information on the risks, policies and management approaches applied in relation to the material aspects included in the NFS.
- ▶ Checking, through tests, based on a selection of a sample, the information related to the content of the 2021 NFS and its correct compilation from the data provided.
- ▶ Obtaining a representation letter from the Board of Directors and Management.

Conclusions

Based on the limited assurance procedures conducted and the evidence obtained, no matter has come to our attention that would cause us to believe that the NFS of the Group for the year ended September 30, 2021 has not been prepared, in all material respects, in accordance with the contents required by prevailing company law and the criteria of the selected GRI standards outlined in the *Global Reporting Initiative Sustainability Reporting Standards* (GRI standards) as well as other criteria described in accordance with that indicated for each subject in the Epigraph I: "Table of contents required under "Law 11/2018 content index", included in the aforementioned Statement.

Use and distribution

This report has been prepared as required by prevailing mercantile regulations in Spain and may not be suitable for any other purpose or jurisdiction.

ERNST & YOUNG, S.L.

Partner

November 24, 2021