


GAMESA CORPORACION TECNOLOGICA SA

MEETING DATE	Tue, 21 Jun 2016 12:00 pm	TYPE	AGM	ISSUE DATE	Tue, 07 Jun 2016
MEETING LOCATION	Technological Park of Bizkaia, located in Zamudio (Vizcaya), Ibaizabal Bidea				
CURRENT INDICES	PIRC Global				
SECTOR	Renewable Energy Equipment				

PROPOSALS	ADVICE
<p>1 Approve Financial Statements The financial statements were made available sufficiently before the meeting. The auditors have not qualified their opinion. No serious governance concerns have been identified. Acceptable proposal.</p>	For
<p>2 Approve Consolidated Financial Statements The financial statements were made available sufficiently before the meeting. The auditors have not qualified their opinion. No serious governance concerns have been identified. Acceptable proposal.</p>	For
<p>3 Discharge the Board Standard proposal. No serious governance concerns have been identified. Acceptable proposal.</p>	For
<p>4 Approve the Dividend The Board proposes a dividend of EUR 0.1524 per share. The dividend is covered by earnings. Acceptable proposal.</p>	For
<p>5 Re-elect Gema Gongora Bachiller Non-Executive Director. Not considered to be independent as she serves as an external proprietary director for Iberdrola, S.A, a significant shareholder. There is insufficient independent representation on the Board.</p>	Oppose
<p>6 Re-elect Ignacio Martin San Vicente Chairman and CEO. Combined roles at the head of the Company which Triodos does not support. There should be a clear division of responsibilities at the head of the company between the running of the board and the executive responsibility for the running of the company's business. No one individual should have unfettered powers of decision. Combining the two roles in one person represents a concentration of power that is potentially detrimental to board balance, effective debate, and board appraisal. Opposition is thus recommended.</p>	Oppose
<p>7 Re-elect Sonsoles Rubio Reinoso as Dominical director Non-Executive Director. Not considered to be independent as she serves as an external proprietary director for Iberdrola, S.A, a significant shareholder. There is insufficient independent representation on the Board.</p>	Oppose
<p>8 Delegation of powers to implement agreements adopted by Shareholders at the General Meeting Standard resolution.</p>	For
<p>9 Approve the Remuneration Report It is proposed to approve the annual report on remuneration of executive and non-executive directors with an advisory vote. The Company discloses all elements of remuneration for executives and non-executives. Annual variable remuneration corresponds at target to 60% of the fixed remuneration, and it is capped at 100%. Medium and long term variable remuneration does not seem to be consistently capped and as such there are excessiveness concerns as the total potential variable remuneration may exceed 200% of the salary. In addition, the Company has not disclosed quantified targets for its variable remuneration component, which may lead to overpayment against underperformance. There are claw back clauses in place but only apply to the 2013-2015 Plan, which makes is unlikely for shareholders to reclaim other variable remuneration that may be unfairly paid out. On these grounds, Triodos opposes this resolution.</p>	Oppose

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 1 - Approve Financial Statements

In November 2014, the Directive 2014/95/EU was published and Member States will have until end of 2016 to transpose the Directive into national legislation and companies will start reporting as of their financial year 2017. The Directive has legislative relevance for all the European Economic Area and as such should be implemented also by members of the European Free Trade Association. Under the Directive, companies should provide disclosure of non-financial information (policy and practice) in the annual report or on a separate report, made available at the latest 6 months after the date of the balance sheet. The European Commission has been tasked with publishing non-binding reporting guidelines by December 2016. Although the provisions contained in the Directive are not yet binding, they are considered to set the bar of best practice. PIRC maintains that corporations should not passively abide by minimum standards set in regulation, but actively exceed minimum thresholds and seek best practice. PIRC will accurately monitor the presence and the quality of non-financial information.

Proposal 9 - Approve the Remuneration Report

In addition to submitting a remuneration policy valid for three years, Spanish companies must submit annually a remuneration report over remuneration practice for the year under review. The vote on the remuneration report is advisory and not binding, however in case the report were not approved by shareholders, the remuneration policy should also be submitted again for approval at a general meeting.

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