

COMMUNICATION ON PROGRESS

UN GLOBAL COMPACT

Gestamp 

Madrid, 25 October 2012

Dear Sirs / Madams:

Another year, and as part of the Global Compact Progress Report, it is a pleasure to be able to share the most important milestones with you that have marked Gestamp's performance in 2011.

The most significant event was undoubtedly the acquisition of ThyssenKrupp (TKMF), the metal automobile components division. This represents a great leap forward, both quantitatively, as we have taken on 5,700 new employees, and qualitatively, due to the positioning in growing markets (China, Turkey) and new product development.

To optimize synergies from this merger, we are carrying out an organizational change that will let us provide better service to our customers, due to greater product specialization and by being closer to the geographic needs of each region where we are present.

In December 2011, at Gestamp we had 25,000 employees, which represent a 40% year-on-year increase in personnel. Moreover, our 2011 turnover was €4,775 million, 50% higher than that in 2010.

With respect to environmental matters, last year we pointed out our commitment to offering customers more lightweight products, thus aiming to contribute to reducing automobile emissions via weight reduction. We want to remain consistent to this idea and, thus, this year I would like to highlight our commitment to controlling and reducing the emissions derived from our business. We have started an ambitious project to quantify the emissions from our processes, by establishing indicators in order to take on improvement projects in the future. We also want to be transparent with this commitment and, to this end; we have fixed as an objective our participation in the Carbon Disclosure Project in 2012.

Internally, the approval of our Code of Conduct merits mention. With the growth we have experienced in recent years, we believe it is necessary to transfer the principles to our employees that define our corporate culture and the standards of conduct resulting from this culture.

On 1st December 2011, we approved the Code, after consulting members of the Board of Directors about its contents. It will be implemented during 2012 at all Group companies and we will make it available to our main stakeholders.

Lastly, I would like to point out that we continue our commitment to the principles of the Global Compact. They are a reference for us, and they are part of our Corporate Principles, which we disseminate and promote wherever we are present.

Sincerely yours,

Francisco J. Riberas Mera

Gestamp President

GENERAL INFORMATION

ENTITY PROFILE: GESTAMP GROUP

Address: Alfonso XII, 16

Website: www.gestamp.com

Senior post: Francisco José Riberas Mera, CEO

Date joined the company: 29/09/2008

Number of employees: 25,323

Industry: Automotive and materials for automobiles

Activity, main brands, products and/or services: Development and manufacture of metal components and sets for automobiles

Sales / revenues: € 4,775 million

Significant financial assistance received from government: Confidential information

Breakdown of stakeholders: Customers, employees, suppliers

Criteria followed to select the stakeholders: Each corporate and division director selects and manages relations with their stakeholders.

Countries in which the Group is present (where the entity has the majority of its activity or significant activity with regard to sustainability) and markets attended: Spain, France, Portugal, UK, Sweden, Poland, Hungary, Germany, Slovakia, the Czech Republic, Russia, Turkey, USA, Mexico, Brazil, Argentina, India, China, Korea and Taiwan

Scope of the Progress Report (countries for which the company provides information in the Progress Report) and its possible limitations, if applicable: The entire Group, taking the companies into account in which the Group is a majority shareholder and is responsible for their management. In 2011, the Automotive Division of ThyssenKrupp merged with the Gestamp Group. Although it is already included in official figures of Group employees and turnover, it has not been considered in this report, as we did not have the necessary information to do so.

How was materiality established and how were the most significant issues defined in order to be included in the Progress Report? To define the significant issues to be included in the report, we followed these criteria in the order in which they are listed:

1. Scope: whether a policy or action is for one company, one country, one division or for the entire Group.
2. Cost and/or resources: The cost and/or resources involved to promote a specific policy or action.
3. Efficacy: The positive and/or negative result of a policy or action.
4. Originality: Whether the policy or action is innovative.

How the Progress Report is being disseminated: Website

Prizes and distinctions received during the informative period: Among others:

- GM Supplier of the Year Prize awarded by General Motors to the Gestamp Group
- PSA Supplier Award given by PSA to the Gestamp Group.
- Second prize for Integration of Suppliers in the Value Chain and the Ambassador of Spanish Purchases Abroad, awarded by AERCE (Association of Purchasing, Hiring and Provisioning Professionals in Spain) to the Gestamp Group

Period covered by the information contained in the report: 2011

Date of the most recent previous report: 2010

Presentation cycle for the Progress Report: Annual

STRATEGY AND GOVERNANCE

State how the entity incorporates stakeholders' suggestions into its strategy and its decision-making processes: The Group's business principles consider the need to include the main stakeholders' suggestions in the strategy.

State the legal status of the entity, detailing its organizational chart: Business group



State if senior management debates the strategic issues in the Global Compact's 10 principles and measures the progress with key performance indicators: Yes, we have specific indicators for several aspects that are included in the Global Compact's 10 Principles.

State the governance structure and who in senior management carries out the decision-making and good governance decisions to implement CSR in line with the Global Compact's Principles and whether the chairman of the highest governing body also holds an executive post: There is a Board of Directors where

the main Group shareholders are represented and a Management Committee chaired by the CEO and with senior management as members.

The implementation of CSR in line with the Compact's 10 Principles is the decision of the CEO, who in turn consults the policies with the Board of Directors and conveys them in the Management Committee. There is a department and a person specifically in charge of implementing the policies.

UNITED NATIONS OBJECTIVES AND SUBJECTS

State if the entity has any collaboration projects and if it develops actions that support the United Nations objectives and subjects (UNICEF, UNWOMEN, Millennium Development Goals, Global Compact initiatives, etc.): No

FURTHER INFORMATION

Report publication date: Thursday, 15 November 2012

Party in charge: René González Castro; Maria Alonso Tuñón

Report type: A+B+C

'The company has suppliers in developing countries.'

'The company has activities in developing countries.'

METHODOLOGY

DIAGNOSIS

There is a need to know what exists in order to understand what needs the entity has. Diagnosis indicators let us identify which policies, actions and monitoring are done for each Principle.

POLICIES

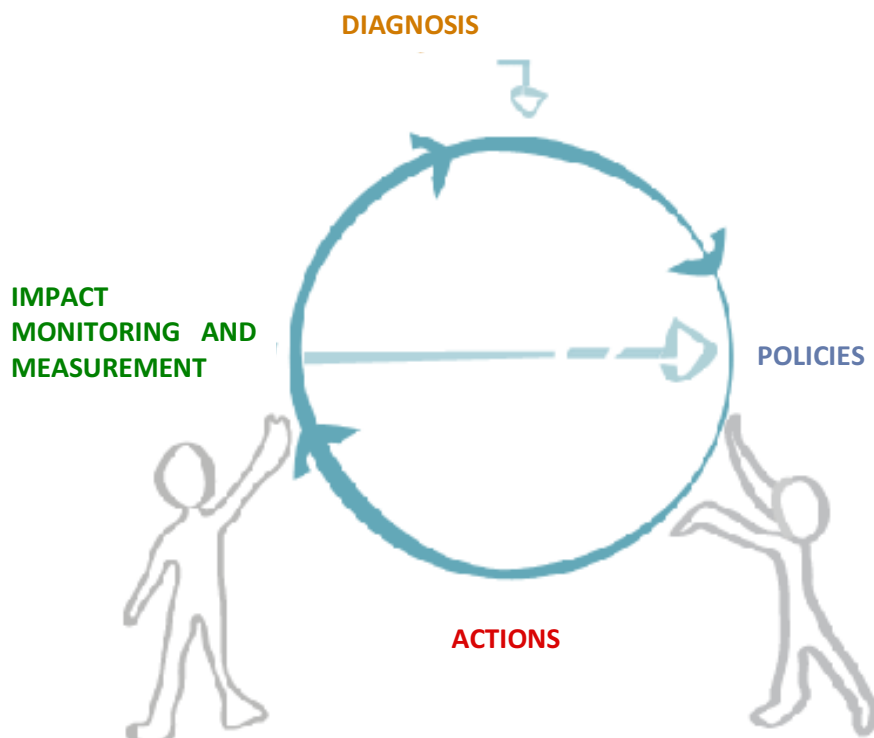
They are collected via qualitative indicators that define the framework of action in which the organization's actions, control mechanisms and monitoring are structured.

ACTIONS

They are implemented to comply with the policies. They are described by means of qualitative and quantitative indicators. Input: Needed to understand which types of actions must be carried out. If this input is not employed, there is a risk of implementing useless or unnecessary actions.

MONITORING AND MEASUREMENT OF IMPACTS

Evaluation and control of the results obtained from the implemented actions. They are reflected in the qualitative indicators outlined. Output: Needed to publicize the results to be able to receive new ideas about possible improvements that are required.



PRINCIPLE 1

The entities must support and respect the protection of internationally proclaimed human rights, within their scope of influence

DIAGNOSIS

State if the entity has performed a diagnosis in which human rights risk factors are evaluated. If so, state the risk and its impact (P1C2I1)

Example: The entity performed a human rights diagnosis and identified as a risk the lack of information and training on Health and Safety for employees. The impact of this risk on the entity would be an increase in occupational accidents.

Response: Yes

Implementation: We performed diagnoses of the fundamental factors on human rights that affect our company.

In past progress reports, we explained that child labor and forced labor were not risk factors, due to the importance of the technological component and the high qualifications required for employees at all levels. We do not believe that this situation has changed with the growth experienced in 2011.

We uphold a strict and objective selection and promotion policy that exclusively takes into account the academic, personal and professional merits of people and the Group's needs. We make a great effort not to discriminate against people for questions like race, religion, gender, age, nationality, sexual orientation, civil status or disabilities. Moreover, we have opened centers and companies have joined the Group that operates in countries where we did not operate before. Furthermore, some of these companies have their own business principles and their own policies with regard to discriminatory treatment and equal opportunities. The aim is that in all locations where the Group operates, this policy is understood and applied as quickly as possible. The result of the diagnosis is that we must implement the Code of Conduct, in which we define the corporate principles and standards of conduct for the entire Group. For this reason, as explained in more detail in later questions, we have defined a Global Code that will be implemented during 2012.

In terms of Health and Safety, we are aware of the risks involved in our activity. We have a policy that assures that both our employees and employees from other companies working at our facilities have a safe and healthy working environment. According to this policy, we employ the same criteria when assessing the performance of any company with regard to health and safety and no difference is established between companies operating in developing countries and those that operate, for example, in Europe. By means of an in-house indicator that we call GHSI (Gestamp Health and Safety Index), we monitor the status of working conditions and the degree of implementation of management systems that put the policy into practice.

The result of our diagnoses in the area of health and safety is that we must implement our policy at the new companies that are joining the Group, as well as speeding up the implementation of the policy at newly-established companies and strengthening the management of significant issues that have caused the most serious accidents in recent years.

Training is essential in a Group that is experiencing such fast growth. We must assure that the people who join the Group know our values and policies and acquire sufficient knowledge to perform their jobs safely and efficiently.

POLICIES

Does the entity have written Human Rights policies that have been approved by senior management? Describe to what degree they have been implemented in the comments field (P1C2I2)

Response: Yes

Implementation: On 1st December 2011, the Gestamp Code of Conduct was approved. It contains our Vision, Corporate Principles and Standards of Conduct, thus becoming the backbone of our commitment to integrity. It will be applicable in all organizational areas and affects all employees contractually connected to Group companies. In the companies where Gestamp has a minority holding, the Group will propose that the governing bodies approve a Code of Conduct with similar or identical content to the Gestamp Code. We have also defined the processes to handle questions and notifications of breaches, as well as to guarantee confidentiality, and we have created an Ethics Committee, which will be in charge of ensuring the correct functioning of all processes and resolving the most serious and important cases.

The Code will be implemented in 2012.

In parallel to the elaboration of the Code of Conduct, and in line with the comments in the section on diagnosis of the need to transfer our principles and policies to the new companies, we are working on Corporate Welcome Handbook for all new employees, entitled 'Onboarding'. This training tool has a global scope (for the entire Group) and its implementation will not cancel out the different welcome handbooks that may exist in each of the Group companies. The aim of this tool is to:

- Integrate essential corporate information for employees: history, milestones and organization, corporate mission, vision and principles, code of conduct, health and safety policy, environmental policy, etc.
- Guarantee similar training in all corporate, health and safety, environmental, etc. issues that are essential to the Group.
- Increase the feeling of belonging.
- Transfer the reason behind the commitments and target that the Group maintains and the need for employees to incorporate them into their daily behavior.

In addition to the Onboarding Program, all Group employees receive occupational training, attending to the needs detected for each employee and for each post. In this way, professional capacity building is promoted and the employability of all workers is increased. This work is done fairly and in all countries where the Group operates, including developing countries. In this regard, the work done by support teams

is very important, when dealing with new companies that are established in countries and regions where there is no industrial culture.

As regards Health & Safety, being aware of the danger involved in our line of business and as stated in the diagnosis section, we have a very ambitious Health & Safety Policy and we allocate extensive resources to ensure good working conditions and efficient risk management.

Moreover, in 2011 we decided to promote a specific action plan to prevent and control a series of risks that we believe are important. The plan consists of all Group companies having to guarantee the training of crane operators in accordance with the procedure defined by the Group. External companies must be supervised, by taking into account a series of requirements established by the Group, and they must implement a program to ensure that all facilities have a locking procedure available when repairs are being carried out.

ACTIONS

Does the entity have a specific action regarding this principle that was carried out during the year? If so, describe it (P1C1I1)

Response: Yes

Implementation: We finished drafting the global Code of Conduct that we started in 2010. The new Code, which affects all employees and which will be made available to third parties with whom we have business relations, was approved, as mentioned in the previous section, in December 2011.

With regard to Health & Safety, we have continued to implement our policy in 2011. In 2010, we announced that we would assess performance based on our GHSI at 100% of the Gestamp production companies where it is applicable, but the Edscha Group still needs to be integrated.

The current challenge is to implement the GHSI at Edscha, as they joined the Group in 2010, so that we can measure performance at its companies with the same criterion used at Gestamp and so that we can integrate them into our policy. To do so, we have carried out a specific task, given that Edscha's business is different and the section on working conditions that the GHSI currently contains does not cover its particular features. We must also add the newly-established and recently-acquired companies to our policy.

Furthermore, like every year, we review the policy and the GHSI. In the 2011 review, we varied criteria, making specific factors more demanding and paving the way for implementing new improvements and solutions.

The GHSI has continued to be a reference for new facilities in 2011, in terms of working conditions, regardless of the country.

With regard to training, in 2010 the Group gave a total of 301,428 hours of training, divided into 7,465 courses, which represented an investment of € 3,093 million.

Investment in training per employee was very similar to last year, €162 in 2011, compared to €164 in 2010.

This task was even more intensive in regions where there is no industrial culture or a lack of professionals, generally in developing countries. At these sites, we professionally train employees until they have attained the level of qualification needed, with the teaching support of experienced teams from other Group companies, who travel to teach and oversee training (support teams). In 2011, the support teams represented an investment of € 1.650 million and some 47,000 hours.

State if you use the results obtained from the monitoring mechanisms for human rights policies in the entity's strategic planning (P1C2I5)

Response: No

Implementation: Gestamp's strategic plans are focused on specific actions to expand and maintain business according to the interests of the company and the situation of the markets at any given time. However, the Group's action policy, which is based on the Corporate Principles that define our corporate culture, has several solid ethical principles and if any factor for improvement is detected with regard to human rights, the measures necessary to resolve it are taken.

State if the entity notifies its customers about the safety of its products and services. If the response is yes, state how (P1C4I1)

Response: Yes

Implementation: All products that the Gestamp Group manufactures meet the technical and safety specifications required by its clients. We fulfill all safety regulations required for the automobile industry and the specific regulations for each country. All companies follow quality control processes (all companies have ISO TS 16,949 and ISO 9001 certifications and the new Group companies are granted a one-year period to be certified). The Group also requires its suppliers to comply with product safety. Given the characteristics of the sector and how the Group operates, contact with suppliers and customers is continuous and free-flowing, where our facilities are audited by customers regularly, which assures that our product safety control is constant and effective.

During 2010, the Gestamp Group and many Group companies –as individual entities- have received numerous prizes and recognitions that show their commitment to the quality and safety of their products and services. The most noteworthy of these awards include:

- General Motors Best Global Suppliers, recognition of the Gestamp Group's significant contribution as part of helping a global company such as GM achieve its results. The variables to be awarded this recognition were technological innovation, quality, cost and service.
- Automobile Industry Prize, awarded by ACICAE (Basque Country Automobile Industry Cluster), in its section for companies situated in the Basque Country, in recognition of our spectacular development and quick international expansion, making us a strategic ally of the main vehicle manufacturers.
- PSA Peugeot Citroen. Industrial excellence in a supplier production facility. Gestamp Ronchamp SAS
- TOP Innovation Award 2011 from the Federal Ministry of Economics. Griwe Innovative Umforttechnik GmbH

- Q1 Preferred Quality Status from the Ford Group since 1991 without interruption. Edscha Hauzenberg GmbH
- Ford with Q1 award in 2011. Gestamp Severstal Vsevolozhsk LLC.
- Toyota TEAM - Best Project Award, 1st Prize. Tallent Automotive Limited
- Honda - New Model Introduction Award. Tallent Automotive Limited
- Honda - Supplier Quality Convention, 2nd Prize. Tallent Automotive Limited
- JLR - Q Award. Tallent Automotive Limited
- Volkswagen Group Award. Gestamp Toluca SA.
- QUALITAS Prize from Fiat Auto Argentina SA, Best quality performance in 2011. Gestamp Córdoba SA.
- QSB (Quality System Basic) Fiat Auto Argentina SA. Gestamp Córdoba SA.
- A class supplier of FAW-VW. Edscha Automotive Technology Co, Ltd. (Shanghai) (EAT)

MONITORING AND MEASUREMENT OF IMPACTS

State if the entity has mechanisms in place for monitoring its human rights policies. Describe them (P1C2I3)

Response: Yes

Implementation: With regard to Occupational Health and Safety, each company reports on the GHSI each quarter with the improvements implemented and/or carried out during this period. Using an audit system, we verify that these improvements comply with the criteria established in the standard, to be able to guarantee their reliability and comparability between all companies. The results are published and, as a whole, become part of management's balanced scorecard.

Evaluations are also done on the training sessions given from different points of view: employees assess the training they received and the parties in charge of the training evaluate the employees' attitudes. Lastly, an evaluation is done on how the training received has improved each employee's professional skills with regard to the post they hold in the company.

Percentage of employees out of the total who are notified and trained on the Human Rights Principles by which the entity is governed (P1C3I1)

Response: 100 %

Implementation: The different documents in force at different Group companies that contain the codes of conduct are received by all employees as part of the Welcome Handbooks that are given to new employees, via the intranet or via internal publications. We can therefore confirm that 99% of Group employees are notified.

100% of employees are trained and notified about the Health & Safety Policy.

The same thing happens with training: each new employee is subject to an analysis to detect training needs and each employee is then notified of the conclusions. They also receive information on all the training

options that the Group has available; therefore we believe that 100% of Group employees are also informed in this area.

The Code of Conduct will be implemented in 2012 for all employees, following a global training process and guaranteeing the training of new employees through the Onboarding Project, which was mentioned above.

State the number and type of: (P1C4I3)

** Noncompliance with regulations on clients' health and safety: 2*

** Claims ratified by official regulatory institutions or similar bodies for the supervision and regulation of product and service health and safety: 0*

** Noncompliance with regulations on information and labeling of products received: 1*

Implementation: There is a procedure to handle these situations. When a noncompliance is detected, the party in question has a two-day period in which to take immediate actions, one week in which to carry out corrective actions and one month in which to measure the effectiveness of the actions taken and to establish preventive measures. In this way, we assure that all incidents are resolved and the possibility of them happening again is prevented. For problems with delivery notes and EDI communications, the action period is freely agreed between Gestamp's logistics departments and the customer.

In all cases, these anomalies are resolved between the automobile manufacturers and the Group and do not generate any inconvenience for the end customer.

Amount of money invested in the community (in kind, products or services) (thousands of euros) (P1C5I1)
Specific indicator for entities that have activities in developing countries.

Response: 169

Implementation: The Group encourages its employees to participate in development initiatives and activities in the local community.

62% of companies perform some type of social initiative and promote and facilitate the participation of their employees, as individuals, in community actions. 32% of companies undertake some type of ongoing sponsorship, patronage or social action with different organizations and/or foundations that work in different social or environmental topics. The total amount of money allocated for these purposes during 2011 was €169,000.

This figure only includes the money invested and does not include contributions in kind or services, as it has not been possible to quantify them.

It is worth mentioning that both training in local communities and improving employability, as mentioned in previous sections, are the main contributions that the Group makes and on which it centers its greatest efforts.

State if the entity performs an analysis of the projects it develops in the communities where it is present and if it carries out educational campaigns or campaigns with other characteristics that are of public interest in these communities (P1C5I2)

Specific indicator for entities that have activities in developing countries.

Response: Yes

Implementation: Our Group is committed to the social growth of the communities in which its companies are located through the creation of sources of stable employment and working with local agents on those issues that could provide value.

63% of the Group offers training and professional capacity-building training opportunities to people in the communities where the companies are located, through employment apprenticeship programs. In 2011, 515 people participated in some type of apprenticeship program at some Group company. They received a total of 156,963 hours of training, of which approximately 65,000 were taught by our own employees (including tutoring by employees at a company during a work experience period).

Number of initiatives undertaken by the entity in order to prevent the infringement of human rights by the security forces hired in their scope of action. Describe them (P1C6I1)

Specific indicator for entities that have activities in developing countries.

Response: 0

Implementation: Gestamp does not have security forces to protect its facilities. It only hires private janitors and security guards who comply with the regulations applicable to this sector.

PRINCIPLE 2

Entities must assure that their companies are not involved in human rights abuses

DIAGNOSIS

State if the entity has performed a diagnosis in which human rights risk factors are evaluated for their supply chain (suppliers, contractors, etc.) or their business partners. If so, state the risk and its impact (P2C2I1)

Response: Yes

Implementation: Suppliers are classified, in accordance with the type of product or service that each one provides. In this way, suppliers are broken down into four different types: raw materials, components, machinery and tools and indirect purchases.

Suppliers pledge to comply with Gestamp values and principles. Any purchase that is made is obligatorily done through the Supplier Portal, which is on each company's respective website. Each supplier has an access code and a password, with which they access a private area. When a contract is concluded, all suppliers accept a commitment to comply with the corporate terms and conditions.

At Gestamp, it is compulsory for suppliers of direct materials and suppliers of raw materials to hold either ISO TS 16,949 or ISO 9001 certification.

With regard to external companies that perform jobs at our facilities, 100% of Group companies have implemented a procedure for Business Activity Coordination to assure that the employees at these external companies that visit the company work under optimal health and safety conditions that do not compromise Gestamp employees' health or safety.

POLICIES

Does the entity have written policies that regulate relations with suppliers that are based respecting human rights? Describe to what degree they have been implemented in the comments field (P2C3I2)

Response: Yes

Implementation: The Group obliges all its suppliers to sign a commitment to comply with corporate conditions, which includes respect of human rights. This is done through their respective Supplier Portals. Furthermore, all Group companies are certified under ISO TS 16,049 and ISO 9002 standards and the majority also have ISO 14,001. Thus, they have quality and environmental policies that require them to strictly control the conditions of all suppliers.

Moreover, we also have procedures to guarantee Business Activity Coordination when external companies come to carry out work at our centers. In these procedures, in addition to establishing training and

information requirements for all employees, there is verification that the employees at external companies' human rights are not abused, which include not employing child labor, an absence of forced labor and legalized recruitment.

ACTIONS

Does the entity have a specific action with regard to this principle that was carried out this year? If so, describe it (P2C1I1)

Response: Yes

Implementation: After the Supplier Portal is implemented at all Group companies, it is guaranteed that any supplier, in order to finalize any purchase, must sign the commitment to comply with the corporate conditions imposed by Gestamp, which include respecting human rights. A target for the next few years is to implement this portal at new companies that have joined the Group.

During 2011, Gestamp continued to draft a procedure to evaluate suppliers. By filling out our 'Questionnaire for Sustainability', an initial view is obtained about the supplier's situation with regard to human rights, the environment, R&D, etc., and each supplier is given a score that reflects this condition. The suppliers that obtain a low score or are considered in risk of breaching any of the minimum requirements established by the Group may be audited or, depending on their circumstances, even invalidated as Group suppliers. During 2012, this procedure should be started up and supplier evaluations begun.

MONITORING AND MEASUREMENT OF IMPACTS

State the percentage of suppliers that are certified out of the total (P2C2I2)

Response: 91 %

Implementation: At Gestamp, we require that all raw material or component suppliers have ISO TS 16,949 or ISO 9001 certification. These two groups represent 70% of Gestamp's total suppliers, although we know that some of the suppliers from the other two groups also have this certification, so that the percentage of certified suppliers would be somewhat higher than 91%. This represents a significant improvement from last year, when only 70% of suppliers were certified.

At Edscha, an essential requirement is that all suppliers have ISO TS 16,949 or ISO 9,001 and ISO 14,001 certification. At present, they estimate that approximately 90% of its suppliers fulfill this requirement.

State the percentage of workshops in your supply chain that have been inspected, out of the total suppliers and contractors at the entity (P2C3I1)

Specific indicator for entities that have suppliers in developing countries.

Response: 0 %

Implementation: ISO TS 16,949, ISO 9001 and ISO 14,001 certifications, compulsory for all Group companies, establish control over their suppliers as a requirement. Supplier audits, independent of these certifications and carried out at the initiative of individual Group companies, are not systematized: they are only performed when there is mistrust or suspicion that a given supplier could be breaching the terms and conditions of their contract. The percentage of workshops audited during 2011 has not been taken into account.

The Business Activity Coordination Procedure is implemented at 100% of the Group's production companies, where it is established that a subcontractor can only work at our facilities if it meets certain requirements. If a subcontractor does not accept them or breaches them, it loses its official approval.

As commented in a previous principle, in 2011 it was decided that an action plan should be promoted so that all Group companies conduct better business coordination, among other actions. This plan must be implemented by December 2012 and progress is monitored each quarter, when this information is reported to the Group's senior management. The key aspect of this action plan is that companies, in addition to performing correct administrative controls, as they currently do, also manage to achieve good operating controls. With the aim of helping companies in this task, we will update a computer application, which will allow us to help them their management.

We have analyzed how the companies acquired by the Group in 2010 are complying with this coordination of activities. These companies are not included in the action plan and must therefore meet their own commitments, taking their priorities into consideration, not only with respect to business activity coordination.

Moreover, we must now analyze to what extent the TKMF companies are complying with this subject.

State the number of complaints and enquiries from / about suppliers (P2 C3 I3)

Response: 4

Implementation: It is very difficult to estimate the number of enquiries made by suppliers, as contact between personnel in Procurement and suppliers is continuous and no express records are kept of this contact. The Supplier Portal is the communication platform between Group's suppliers. If there is any question or technical problem, they are resolved through the technical support provided on the Portal. If the query is related to the sales conditions or another type of problem after the purchase has been awarded, the supplier then directly contacts the person in the Group's Procurement Department who has been involved in the negotiation. In both cases, relations with suppliers are quick and free-flowing and all incidents are resolved with the maximum speed.

With regard to complaints, there is knowledge of the existence of four processes filed during 2011 and the Group's Legal Department had to be involved.

PRINCIPLE 3

Entities must support the freedom of association and the effective recognition of the right to collective bargaining

DIAGNOSIS

State if there are risk factors that endanger the effective recognition of the right to collective bargaining (P3C3I2)

Response: Yes

Implementation: 90% of Group companies are located in countries that have a suitable legal framework, established in their own laws, in which the freedom of association and the right to collective bargaining are guaranteed. For the remaining 10%, the Group ensures the existence of communication channels with employees necessary to prevent any type of abusive practice. In these regions the Group is particularly vigilant about the existence of channels where employees can express their opinions (suggestion boxes, meetings with HR, etc.) and satisfaction surveys are carried out. In this way, the Group tries to achieve that, even in these countries, there is direct and free-flowing communications between the company and its employees and that all Group employees have the facilities needed to know and defend their rights.

In 2011, 94% of Group companies had formal communication channels, through which employees can express their opinions about the different aspects of company management and make complaints and suggestions for improvement. We can ensure that Group companies located in countries where freedom of association is restricted and where there are no collective bargaining agreements, they have communication channels of this type in operation.

In the rest of the countries, the legal framework acts as a support tool for the company's internal communication policies which guarantees that employees are formally represented, thus 100% of the Group employees have one way or another of expressing their opinions and participating in decision-making.

POLICIES

Does the entity have a policy to request information, make enquiries and negotiate with employees about the changes in the operations with the organizations that provide information (for example, about the restructuring of a company)? (P3C2I1)

Response: Yes

Implementation: In the majority of the countries where the Group operates, there is legal cover to guarantee employee representation in the organization's decision making. Employees, through their legal representatives, are informed and consulted when significant changes take place in the operations of the companies that belong to the Group. In addition their rights are protected by collective bargaining

agreements, which are negotiated periodically and detail their working conditions, rights and duties. Communications and negotiations are carried out with employees in accordance with the law. In those countries where there is no freedom of association or collective bargaining agreements, the Group has internal communications policies that promote direct relations with all employees.

ACTIONS

Does the organization have a specific action with regard to this principle that was carried out this year? If so, describe it (P3C1I1)

Response: Yes

Implementation: During 2011, employee satisfaction surveys were carried out at all Group companies. Because the frequency of these surveys is defined individually by each company and may be annual or biannual, we cannot provide the Group's progress with regard to this action during 2011. However, we can state that over the last two years, 85% of the companies have asked employees about different issues related to company management.

MONITORING AND MEASUREMENT OF IMPACTS

Does the entity have monitoring and measurement procedures that guarantee the formal representation of employees in decision-making and management of the organization? If so, describe them (P3C2I2)

Response: Yes

Implementation: 100% of Group companies are submitted to regular audits pursuant to the ISO TS 16,049, ISO 9001 and ISO 14,001 standards, which consider HR issues and include internal communications with employees.

Does the entity has mechanisms to listen to, evaluate and monitor the positions, concerns, suggestions and criticisms of employees, for the purpose of learning from and acquiring new knowledge? If so, describe them (P3C3I1)

Response: Yes

Implementation: Among the main official channels of communication implemented by the Group so that employees can express their opinions are:

- Suggestions box
- Set schedules for offering attention to employees
- Interdisciplinary work groups for continuous improvement
- Departmental meetings
- Satisfaction Surveys

PRINCIPLE 4

Entities must support the elimination of all forms of forced labor and coercion

DIAGNOSIS

State if forced labor is a risk factor at your entity, given the type of activity in which it works (P4C2I1)

Response: No

Implementation: Forced labor is not considered a risk factor at the Group. Employees handle and operate machinery and technology that requires a high level of training and specialization, therefore forced labor is not liable to take place at any of our work centers.

For suppliers and external companies, the conditions that they sign via the Suppliers Portal to start working with any Group company, as well as administrative controls of all employees outside the Group who provide services at our facilities, try to ensure that there is no possibility for cases of forced labor in our business activities.

POLICIES

State if the entity has written policies that regulate the number of working hours established and the remuneration that its employees receive. Describe them (P4C2I2)

Response: Yes

Implementation: The working hours established are detailed in the collective bargaining agreements and/or in legislation in force, so that they may vary from one company to another, depending on the country in which they are located. Employees are notified, via computer tools and/or printed documents, of the working calendar in force for each year. Furthermore, in the majority of Group companies, employees working hours and conditions in specific posts may end up changing due to individual agreements that promote the reconciliation of work and family life.

With respect to employees' remuneration, all Group companies have clear wage policies for the different professional categories and classes that are established according to the collective bargaining agreements and negotiations with employees, always respecting the legal framework. Wage policies never reflect differences depending on age, gender, religion, etc.

In 2012, the implementation of the Global Code of Conduct is planned for the entire Group, with the pertinent communication channels, to ensure that both employees and third parties or other parties in the supply chain can communicate any possible breach or abuse of the behaviors detailed therein.

ACTIONS

Does the organization have a specific action with regard to this principle that was carried out this year? If so, describe it (P4C1I1)

Response: Yes

Implementation: Many of the Group companies have specific actions with regard to work and family life reconciliation that affect different groups of employees.

In countries where there is little social coverage in certain areas, the company provides aids that compensate for this situation, for example health insurance, life/accident insurance, meal assistance programs, nursery day care and schooling.

State if the entity carries out actions that let its principles and values be transferred to the supply chain, with regard to good working conditions and the absence of forced labor (P4C3I2)

Specific indicator for entities that have suppliers in developing countries.

Response: Yes

Implementation: All suppliers that become part of the Group's panel of suppliers must accept the terms and conditions on Human Rights, Health and Safety, the Environment and Product and Service Quality that are established as requirements for suppliers.

As mentioned in previous principles, special controls are carried out for external companies that are operating inside the Group companies' facilities, and they are monitored taking into account the Health & Safety Policy.

After the Code of Conduct is implemented in the entire Group in 2012, the Ethics Committee will enter into force to resolve cases where the conditions included in the Code are breached or abused.

To ensure the Ethics Committee receives these notifications on breaches, both employees and all parts of the supply chain and third parties that may be directly or indirectly affected by these infringements shall have communication channels available to notify these non-compliances.

In all cases, communications are handled with complete confidentiality.

MONITORING AND MEASUREMENT OF IMPACTS

State if the entity verifies that its suppliers faithfully comply with a reasonable number of working hours for their employees (P4C3I1)

Specific indicator for entities that have suppliers in developing countries.

Response: Yes

Implementation: At Gestamp, we do not perform specific audits on compliance with this indicator. However, there are verification and/or audit mechanisms for evaluating suppliers, taking the requirements into

account that try to assure product quality and a supply guarantee. These requirements oblige the supplier to have controls established for their processes and that their employees have sufficient qualification levels that minimize the risk of violating factors related to human rights.

In the case of external companies, the Group directly watches over compliance with the working conditions through administrative controls of the external companies that come to work at our facilities, as well as WRP audits.

State if the entity controls and verifies abidance with labor laws and standards or has certified standards that prohibit forced labor (i.e. SA 8000) (P4C4I1)

Specific indicator for entities that have activities in developing countries.

Response: Yes

Implementation: We assure that all laws applicable to its operations are fulfilled. However, given that forced labor is not considered a risk factor, the Group does not have any certification in this respect.

PRINCIPLE 5

Entities must support the eradication of child labor

DIAGNOSIS

State if child labor is a risk factor at your entity, given the type of activity in which it works (P5C2I1)

Response: No

Implementation: During the production process that is carried out at Group companies, employees handle and operate machinery and technology that requires a high level of training and specialization, so that child labor is not liable to take place at any of our work centers.

POLICIES

State if the entity has written policies on the prohibition of child labor (for normal jobs, employees younger than 15 years of age, or 18, for dangerous jobs) that are openly communicated (P5C2I2)

Response: No

Implementation: Owing to the type of activity, child labor is not considered a risk factor at our companies; therefore we have not deemed it necessary to write action directives to this end.

In the majority of countries where the Group operates, there is legislation in force that establishes the prohibition of child labor or people work under collective bargaining agreements that set a regulatory age limit. In all cases, the Group assures compliance with this regulation.

ACTIONS

Does the organization have a specific action with regard to this principle that was carried out this year? If so, describe it (P5C1I1)

Response: No

Implementation: We have not executed any specific action on this principle, as there is no child labor at the Group companies. The characteristics of the activity carried out by the Group make child labor incompatible with the majority of jobs. Only duly qualified and trained personnel are allowed to operate machinery.

State if the entity carries out actions that let its principles and values be transferred to the supply chain, with regard to the absence of child labor (P5C3I2)

Specific indicator for entities that have suppliers in developing countries.

Response: Yes

Implementation: All suppliers that become part of the Group's panel of suppliers must accept the terms and conditions on Human Rights, Health and Safety, the Environment and Product and Service Quality that are established as requirements for suppliers. As mentioned above, special controls are carried out for external companies and those suppliers that work inside the facilities of the Group companies, and the monitoring takes into account the Health & Safety Policy.

State if the entity is certified for the standards that prohibit child labor (i.e. SA 8000; ppo. 1) (P5C4I1)

Specific indicator for entities that have activities in developing countries.

Response: No

Implementation: Given the characteristics of the activities carried out at Group companies, we have not deemed it necessary to obtain this certification.

MONITORING AND MEASUREMENT OF IMPACTS

Number of satisfactory verifications done in the year to rule out the employment of child labor among its suppliers (P5C3I1)

Specific indicator for entities that have suppliers in developing countries.

Response: 0

Implementation: The number of verifications performed during 2011 has not been calculated.

In the case of suppliers, verifications are done when a possible case of noncompliance is detected with regard to any of the conditions signed via the Supplier Portal. They are not systematic verifications.

For the external companies that work at the Group's facilities, control is exercised over their employees via a Business Activity Coordination procedure. We ensure that employees from external companies comply with the minimum age established by using this control, thus ensuring the absence of child labor.

Number of employees under 15 years of age, or 18 in the case of dangerous jobs. In the comments field, state the number of these employees that are associated with aid programs (P5C4I2)

Specific indicator for entities that have activities in developing countries.

Response: 0

Implementation: Given the characteristics of the activities carried out by the Group, there is no employee that meets these circumstances.

Number of verifications done by the Department of Human Resources to detect cases of child labor (P5C4I3)
Specific indicator for entities that have activities in developing countries.

Response: 0

Implementation: We have no records that any type of verification has been done.

PRINCIPLE 6

Entities must support the elimination of discrimination in relation to employment and occupation

DIAGNOSIS

State if the entity has performed a diagnosis that evaluates the risk factors of discrimination in hiring, training and promotion. If so, state the risk and its impact (P6C2I2)

Response: Yes

Implementation: Although the legislation of some countries where we operate does not establish the obligation to implement a specific equality plan, we determine the need to take action in accordance with the corporate principles in the Code of Conduct in relation to equal treatment and non-discrimination due to race, religion, gender, nationality, age or disability.

Our type of activity conditions the presence of women at Gestamp. It is not easy to find female die casters, welders, maintenance technicians or lathe operators. There is a clear imbalance in the selection processes for certain jobs and, in order to increase the presence of women at the Group, we have to apply positive discrimination measures. 35% of our companies have an equality plan implemented aimed at achieving equal treatment and opportunities between men and women, and 100% of our companies have the same basic salary for each professional category, regardless of whether they are men or women. The HR Departments at each of the Group companies are responsible for performing detailed analyses on the characteristics of all job vacancies that arise. They are also responsible for establishing the requirements that each employee must comply with and providing them with training and an appropriate career planning, looking exclusively at candidates' academic, personal and professional merits and the needs of the Group.

All Group companies are subject to audits, which include HR issues and help ensure that there is no type of occupational discrimination for reasons of gender, race, religion, etc.

POLICIES

Does the entity have a written anti-discrimination and/or equal opportunity policy? Describe it (P6C2I3)

Response: Yes

Implementation: The Global Code of Conduct approved in 2011 explicitly details that the Group Selection and Promotion Policy shall only take candidates' academic, personal and professional merits and the Group's needs into consideration, without allowing issues such as race, religion, gender, age, nationality, sexual orientation, gender identity, civil status or disabilities to have any influence on their decisions.

In addition to this document, which has been approved but pending implementation, the collective bargaining agreements in force at the different Group companies establish clear directives with regard to discrimination and equal opportunity. Furthermore, as described in previous sections, 83% of Group companies have their own written codes of conduct or similar documents that establish their viewpoints on this subject in writing.

Another fact that merits mention is that 35% of the Group companies have written and implemented their own procedures to detect and handle cases of discrimination, harassment, abuse and intimidation; 35% have an equality plan aimed at obtaining equal treatment and opportunities; and 48% have internal professional development policies.

If a case of infringement of employees' rights does take place, the party affected will be able to turn to the Ethics Committee, which will be established when the Global Code of Conduct is implemented.

ACTIONS

Does the organization have a specific action with regard to this principle that was carried out this year? If so, describe it (P6C1I1)

Response: Yes

Implementation: 35% of the Group companies are developing an Equality Plan that will guarantee equal opportunity between men and women. The actions detailed in this plan include:

- Redefinition of the characteristics of the jobs, modifying the text to employ language that is non-discriminatory.
- Information for all new employees on equality policies.
- Improved processes to evaluate employees and improved access to the equal opportunity plan for management posts.
- Improved contact with employees during maternity / paternity leave and planning of activities for their return, particularly useful in countries where these leaves can extend for several years.
- Training directors and raising awareness of their responsibility during selection and evaluation tasks

48% of the Group companies have implemented internal policies on professional development. In this regard, many of the other Group companies are working along these lines to obtain career plans for all their employees: up to 85% of companies perform systematic personal performance evaluations and periodic evaluations when handling employees' wage reviews and promotion reviews to thus ensure complete objectivity and impartiality during these processes.

In 2011, the percentage of employees with some type of disability was 1.2%. The integration of these people at the companies is done in countries whose legal framework requires it as well as in those countries where there is no legislation and the companies decide to undertake this initiative voluntarily. Furthermore, 46% of the Group companies have specific actions in place as alternatives to hiring disabled people, which are aimed at the disabled or other groups with risk of social exclusion. The majority of these plans are related to agreements with special employment centers.

MONITORING AND MEASUREMENT OF IMPACTS

State the percentage composition of the management bodies for corporate governance (including the Board of Directors) and all other employees by category, gender, age and other diversity indicators (P6C2I1)

Directors versus employees: 3%

Female directors: 17%

Male directors: 83%

Women: 17%

Men: 83%

Employees over 45 years of age: 24%

Employees under 30 years of age: 47%

Foreign employees: 0%

Employees with permanent contracts: 92 %

Implementation: The HR Departments at each of the companies keep records on the composition ratios of senior management and governing bodies, but this information is not made public.

In all the countries where the Group operates, there are foreign employees, but we do not keep records of these data.

With regard to all other employees, the breakdown of personnel within the Group is the following, according to indicators of age, gender, level of education and years worked:

- Gender:
 - 17% women
 - 83% men
- Age:
 - 2% of employees are under 20 years of age
 - 12% of employees are between 21 and 25 years of age
 - 34% of employees are between 26 and 35 years of age
 - 29% of employees are between 36 and 45 years of age
 - 17% of employees are between 46 and 55 years of age
 - The remaining 6% of employees are over 56 years of age
- Years at company:
 - Less than 1 year: 19%
 - 1-5 years: 36%
 - 6-10 years: 21%
 - 11-15 years: 13%
 - 16-20 years: 4%
 - 21-25 years: 4%

- Over 25 years: 3%

State if the entity publishes the composition of governance bodies and the other employees. If so, state where this information is published (P6C2I4)

Response: No

Implementation: The composition of senior management and governing bodies is not made public. With regard to the ratios for the rest of the employees, they are available on the website, in the Global Compact Progress Report and in specific company presentation reports.

Does the entity have a mechanism or a party in charge of handling and managing accusations of discrimination, harassment, abuse and bullying? (P6C3I1)

Response: Yes

Implementation: At present and at all companies, the handling and management of possible cases is done through the HR Department, always guaranteeing the confidentiality that is required in these situations. In deciding how to act, the departments are guided by the in-house processes at their companies on discrimination and abuse or by the terms related to these subjects that are established in the codes of conduct or in the collective bargaining agreements in force at any given time.

Starting in 2012, there will be more comprehensive monitoring at a Group level, thanks to the creation of the Ethics Committee, where cases of employees' human rights vulnerabilities may be presented to file reports and/or notify.

Number of cases opened and resolved that are related to accusations of harassment, abuse or bullying in the workplace (P6C3I2)

Response: 4

Implementation: During 2011, four cases were opened and then resolved related to issues of harassment, abuse or bullying. All of them were handled properly, following both the internal processes in force and applicable pertinent regulations.

During 2012 and in connection with implementing the Code of Conduct and the creation of the Ethics Committee, a Communications Channel will also be created to deal specifically with these cases.

PRINCIPLE 7

Entities should maintain a preventive approach that favors environment

ACTIONS

Does the organization have a specific action with regard to this principle that was carried out this year? If so, describe it (P7C1I1)

Response: Yes

Implementation: We are continuing with the greenhouse gas emissions inventory that we started in 2008. We have also continued to work on calculating the Group's carbon footprint. During 2011, we completed the inventory of direct emissions into the atmosphere, by including calculations on emissions from leased company vehicles, as well as emissions from using CO₂ as a welding gas in our production processes. We have added a sheet to the Environmental Indicator on which each of the Group companies can consult their individual greenhouse gas emissions, with the aim of promoting their supervision and control, and to facilitate establishing environmental targets related to climate change. As a target for next year, the Group wants to highlight all the work done to date by participating in the Carbon Disclosure Project initiative, which includes the publication of a report with the Group's carbon footprint and the different initiatives on climate change and energy efficiency that are carried out globally, following the principles of transparency and commitment to the environment.

Furthermore, 20% of Group companies carry out promotional activities on good environmental practices outside the company, among which we can cite:

- Environmental talks, conferences and promotional trade fairs
- Promotion of environmental certification among local companies
- Participation in reforestation seminars
- Participation in Environmental Weeks and visits to local schools

State if the entity has initiatives in place focused on reducing the consumption of energy, water, atmospheric emissions, water discharges or initiatives focused on improving biodiversity (P7C2I2)

Response: Yes

Implementation: 79% of Group companies were certified under the ISO 14,001 Standard to December 2011, and 9% were also certified under EMAS II. The compliance with the initiatives mentioned in this question are mandatory for these standards. Annually, each center establishes an Environmental Program, in which reduction targets are set depending on their most significant environmental issues, including reducing the amount of waste generated and decreasing raw material and energy consumption. The actions carried out in 2011 included:

1. REDUCTION OF WASTE GENERATION

- a. By implementing recycling programs for paper, plastic and aluminum cans
- b. By adopting best practices (improvement in sorting and separating wastes, use of reusable absorbent pads instead of just absorbent ones, reusing washed cloths in operating areas, reusing empty containers for the management of special wastes, etc.)

2. IMPROVEMENTS IN ENERGY EFFICIENCY

- a. Transformation of facilities and buildings by installing high-efficiency lighting technologies, fast doors and improved insulation in warehouses to reduce losses in temperature and the installation of low-energy consumption lights.
- b. Improvements in production equipment that represent energy savings via changing the burners on painting lines and replacing compressors with ones that have frequency converters.
- c. Implementation of best practices: control of times that lights are turned on and pneumatic saving projects (lower pressures, cutting off air to machines that aren't in operation, improvement to cylinders, etc.).

MONITORING AND MEASUREMENT OF IMPACTS

Percentage of resources out of total gross revenues allocated to awareness raising and environmental training campaigns in % (P7C2I1)

Response: 0%

Implementation: There is no information available on the money employed in internal environmental education campaigns. Nonetheless, in 2011 different amounts of money were allocated to the environmental as investments (improvements at facilities that involved a reduction in the environmental impact of the activities), environmental risk controls and improvements focused on increasing energy efficiency at plants and in processes. The total invested in all three items in 2011 was approximately €4 million.

PRINCIPLE 8

Entities must undertake initiatives to promote greater environmental responsibility

DIAGNOSIS

State if the entity has identified its risks and responsibilities in environmental issues, taking its sector of activity into account (P8C2I4)

Response: Yes

Implementation: One of the Group's directives obliges all companies to implement an Environmental Management System. In December 2011, 79% of Group companies were certified under Standard ISO 14,001 and a further 9% were also certified under EMAS II, which represents a 4% year-on-year improvement.

Newly constructed and recently added companies have a specific period of time in which to obtain environmental certification. The Group's objective is for 100% of companies to be certified.

We ensure that all companies guarantee legislative compliance and the proper identification and management of particular environmental risks typical of their locations and production characteristics through environmental certification. However, the Group also establishes that it is mandatory for all companies, including those still not certified, to fill out and send the Group an Environmental Indicator detailing all monthly energy consumptions and waste generation, which are the most significant environmental factors identified in Gestamp's global operations. We therefore ensure that 100% of Group companies identify and manage the environmental risks that are common to our business. In 2011, this indicator was implemented at all Edscha companies.

The information required for this indicator is reviewed and improved each year, so that its results depict as accurately as possible the situation at each of the companies with regard to environmental issues and, if they exist, also their risks.

Each company creates and executes their own environmental reports on the scope that their environmental impacts could have in order to comply with requirements on environmental certification. In parallel and using the information from the Environmental Indicator, at corporate level global reports are drawn up that show the change of the two environmental factors that –due to their characteristics– have the greatest environmental impact in the Group: energy consumption and waste generation.

Using this information on energy consumption, work is being carried out to calculate the Group's carbon footprint during its production activities.

These reports are made available to all Group companies on the Environmental and Prevention Portal. This portal is a web platform for communication and it is where Environmental and Health and Safety professionals can find documentation of interest (Management System, presentations on indicators, etc.), they can express their uncertainties and share experiences that can be employed as support in the daily running of each company.

POLICIES

State if the entity has a written environmental policy, either independent or integrated into another series of policies (P8C2I1)

Response: Yes

Implementation: It is compulsory to have an Environmental Policy in order to obtain environmental certification. Each company has its own policy, but they all contain the following principles:

- Compliance with legislation
- Continuous improvement
- Prevention of pollution and environmental impact
- Reduction in consumptions and waste production

Furthermore and in the Global Code of Conduct approved in 2011, the directives below were established with regard to the Group's environmental initiatives:

"We want to minimize the environmental impact of our activities as much as possible. To this end, each center has environmental management systems that ensure compliance with the law and the continuous improvement of processes. We commit ourselves to adapting and to using the best available techniques for our facilities, and to including the environment during their design"

In turn, all employees:

Must know and follow the rules, instructions and procedures on the environment in force at their workplace.

Within the scope of their responsibility and in accordance with the policies of the Group and of their workplace, employees should strive to improve the facilities' conditions with respect to the environment and to implement the efficient management of environmental issues".

ACTIONS

Does the organization have a specific action with regard to this principle that was carried out this year? If so, describe it (P8C1I1)

Response: Yes

Implementation: In 2011, we continued the environmental certification process at all companies, and ISO 14,001 was implemented at the Gestamp Mason, G. Kaluga, G. UK, G. Manufacturing Autochasis and G. Alabama- Lapeer production centers.

We have also improved the Environmental Indicator with respect to 2010, with the aim of evaluating the most significant environmental issues related to our activity in greater detail. With the information

collected via this indicator, we calculate the indexes below, which let us evaluate the performance of the different companies on environmental issues:

- EEI: Energy Efficiency Indicator, defined as the energy consumption in MWh for every €100 of added value
- WMI: Waste Management Indicator, defined as the cost of waste management for every €10,000 of added value
- WPI: Waste Production Indicator, defined as the production of tonnes of waste for every €1,000 of added value
- CO2EI: CO2 Emissions Indicator, defined as tonnes of CO2 emissions for every €100,000 of added value.

The Environmental Indicator also requests all companies to submit the amounts of waste produced each quarter, breaking them down into hazardous and non-hazardous wastes and the main waste categories that are produced during normal production activities in our sector. A 2012 objective is to establish a control within the indicator on the consumption and management of water and raw materials used.

We are continuing with the greenhouse gas emissions inventory that we started in 2008. We have also continued to work on calculating the Group's carbon footprint. During 2011, this calculation included Edscha information and an objective for 2012 is to publish this information through participation in the Carbon Disclosure Project.

MONITORING AND MEASUREMENT OF IMPACTS

State if the entity has effective mechanisms in place for evaluating environmental issues (P8C2I2)

Response: Yes

Implementation: In 2011, all Group companies had at least one person responsible for environmental issues, who are in charge of controlling and managing possible risks and identified issues. In turn and employing the Environmental Indicator that is reported quarterly by every center, the Group monitors and evaluates the environmental behavior of all companies.

Associated with the compliance of environmental certification requirements, all companies establish an Environmental Management Program on an annual basis. Based on this program, each company establishes a series of objectives and goals that are aimed at the continuous improvement of their environmental behavior, they monitor to ensure their compliance and, in the event of deviations, the situations are corrected.

Percentage of suppliers and contractors of goods and/or services with environmental management systems implemented by type (e.g. ISO 14,001, EMAS, etc.) % (P8C3I1)

Response: 45%

Implementation: Compared to the 38% of suppliers that were certified under ISO 14,001 at Gestamp in 2010, we can ensure that 45% of suppliers that are registered on the Gestamp Quality Platform have this certification in force in 2011.

PRINCIPLE 9

Entities must encourage the development and dissemination of environmentally friendly technologies

ACTIONS

Does the entity have a specific action with regard to this principle that was carried out this year? If so, describe it (P9C1I1)

Response: Yes

Implementation: Respect for the environment is integrated into our business strategy, primarily through R&D and energy efficiency. The mission of the Gestamp R&D Department is closely linked to safety and the reduction of greenhouse gas emissions, 'offering the most suitable and innovative solution, adapted to each specific need, obtaining the best results in weight reduction, safety and comfort.' In this respect, we actively participate in national and international projects to develop innovative solutions, jointly with other companies in the sector, and we collaborate both with clients and suppliers.

R&D is an extremely important part of Gestamp's business and the continual search for new products and technologies is a Group requirement, working together with suppliers and clients to this end. We had around 700 people working directly in the R&D Department to obtain safer and more lightweight products during 2011. This means that 4% of our total number of employees works in the R&D Department, comprised of 12 centers located in different countries and distributed throughout the world.

With regard to energy efficiency, the Group is continuously searching for new solutions to implement at the different companies to make them more efficient, not only by adopting best practices, but also via improvements to make processes more efficient. In this line of action we can also include, for example, optimizations in company layouts, optimization in the use of raw materials and updating of machinery, seeking improvements that enable us to reduce our energy consumption and reduce our emissions.

Moreover, when designing and constructing new plants, the Group ensures the use of the most efficient technologies from an energy viewpoint.

MONITORING AND MEASUREMENT OF IMPACTS

Number of studies, reports written and communications sent during the year to increase the dissemination of environmentally-friendly technologies and to improve energy efficiency (P9C2I1)

Response: 500

Implementation: We estimate that around 500 studies and reports have been carried out that are related to developing environmentally-friendly technologies and to improving energy efficiency. However, it is impossible for us to quantify the exact number.

Moreover, the different companies, attending to customers' requirements, are committed to using technologies that enable the production of lighter products that are consequently, more environmentally-friendly. The means of production are thus being renovated or exchanged for others that are more modern and efficient, which in turn indirectly contributes to respecting the environment.

Therefore, the studies and actions carried out in this area in 2011 can be broken down into three broad categories: product design, energy efficiency at facilities and energy efficiency in production processes.

1. PRODUCT DESIGN

The most noteworthy technology in this regard is hot stamping. It allows us to produce steel parts with ultra-high strength, which leads to more lightweight products that are more resistant to impacts that take place during hypothetical accidents. The use of high-resistance structural reinforcements enables up to a 10% reduction in the weight of a 1,500 kg vehicle, which represents a subsequent emissions reduction of 10-20 g CO₂/km, while maintaining the same level of safety. However, Gestamp does not only have this type of technology, other noteworthy technologies include:

- Roll forming technology:

This technology is based on the idea of deformation by progressive bending and the use of UHSS (ultra-high-strength-steels), which permits:

- High flexibility in designing end sections and lengths
- Improved functionality (rigidity and dynamic behavior)
- Potential weight reduction in the end product
- Cost reduction by optimizing the use of raw materials and the integration of secondary operations
- Reduction of tooling costs

- Hydroforming technology:

Hydroforming lets complex geometric elements be obtained with high levels of deformation, using wall thickness. This technology eliminates the need for welding points, making components with extremely precise shapes and sizes in a single process. This leads to an enormous improvement in their functionality and performance, allowing for:

- High flexibility in design
- Potential weight reduction
- Cost reductions (decrease in subsequent assembly and elimination of tooling)

It is employed in countless applications for automobile components such as axles, dashboard cross beams, bumpers, supports, etc.

2. ENERGY EFFICIENCY AT FACILITIES

- Modifications to roofs that allow for a better use of natural light
- Installation of blinds to block sunlight in excessively exposed windows
- Change of artificial lighting for low consumption lights with greater efficiency

3. ENERGY EFFICIENCY IN PRODUCTION PROCESSES

- Optimization of processes to reduce energy consumption
- Replacement of obsolete machinery with new more efficiency equipment
- Improvements to the existing equipment by using devices that enable start-up consumptions to be reduced

In addition to the improvements that are being carried out due to the typical dynamic of this business, 47% of the companies have made significant improvements by implementing best practices, which include:

- Savings derived from lighting and air conditioning controls in buildings
- Disconnection of equipment (compressors) at night and weekends when the production process is not operating
- Use of hot air from compressors to heat the facilities

Financial investment, out of the total gross revenues, in the current year for the development and dissemination of technologies that are environmentally-friendly (P9C2I2)

Response: 3

Implementation: 3% is the percentage invested in development and dissemination of technologies that reduce the environmental impact of our products and processes, out of total gross revenues. However, R&D investments represent 25% of the total investments made by the Group in 2011, which provides an idea of the importance of this activity within our policies.

All technologies entail a greater or lesser degree of environmental impact, so we understand this indicator to mean the investments allocated to improving products and processes from the viewpoint of environmental impact, and expenses earmarked to control the environmental impact of processes. We can thus quantify:

- R&D investments: as explained in a previous indicator, the mission of the R&D Department is closely related to emissions reductions by means of reducing the weight of parts
- Investments in the implementation of new technologies that enable us to provide more lightweight products with respect to the sector's traditional products, which contribute to reducing emissions by reducing vehicle consumptions
- Investment in the measures that have been carried out for energy efficiency at existing facilities and that were detailed above
- Expenses stemming from the control of environmental issues and protecting and improving the environment

PRINCIPLE 10

Entities should work against corruption in all its forms, including extortion and bribery

DIAGNOSIS

State if the entity has performed a diagnosis to find out the areas of greatest internal risk within the organization and in its sector of activity and identify what these risks are and their impacts (P10C3I1)

Response: Yes

Implementation: The Group does not participate in any political activity or make financial donations of a political nature in any country of the world, so any risk of corruption that could hypothetically arise would have to be related to the acceptance of gifts from suppliers, favoritism to them or unfair competition with customers. However, all these situations are strictly controlled through different mechanisms implemented, such as, for example, account audits and the Suppliers Portal. Next year, they will also be regulated by the Global Code of Conduct approved in 2011, so we can conclude that the risk of corruption within the Group is low.

At Gestamp, managing procurement through the Suppliers Portal follows the directives established in the UNECWA 15896 Standards, which establish traceability and transparency in management as ways to prevent corruption. Furthermore, the Suppliers Portal is managed through a specialized external consultant, which provides additional controls against any possible types of corruption.

POLICIES

State if the entity has a written policy defined against corruption, extortion and money laundering (P10C2I2)

Response: Yes

Implementation: During 2011, the Group approved the Global Code of Conduct, which explicitly makes reference to bribery and corruption, with a primary focus on dealings with public administrations and the control of gifts, invitations and business expenses, the text is quoted below:

“Most of the countries where Gestamp operates have laws that prohibit corruption and bribery, even if committed outside the borders of the country in question. Any violation of these laws is a serious offense that can result in fines for companies and jail for individuals.

Therefore:

No one from Gestamp is allowed to engage any government official or political party in negotiations to offer or deliver a bribe, gratuity, gift or social invitation that favors decision-making for their own benefit or that of the company. We must be extremely honest and upright in all our dealings with Public Administrations”.

The implementation of the Code of Conduct at all Group companies is an objective for next year. Meanwhile, we know that 83% of the companies have their own individual codes of conduct or procedures that define the company's values and the basic rules of conduct, which consider anti-corruption issues.

With regard to relations with suppliers, Gestamp has drawn up a Corporate Procurement Model that defines how the entire process is managed, from the time a need is detected until the purchase is awarded, including regulations on dealings and relations with suppliers.

Does the entity's policy include controls and procedures with respect to gifts, invitations and business expenses, including their limits and information channels? (P10C511)

Response: Yes

Implementation: The Global Code of Conduct approved in 2011 contains the directives below, with respect to gifts, invitations and business expenses:

"Demanding and accepting gifts and tokens of appreciation

The exchange of gifts and tokens of appreciation is a sign of good will in trade relations, but some gifts may be seen as bribe, they could tarnish Gestamp's reputation and even violate the existing legal framework.

Offering and granting gifts and tokens of appreciation

Our clients appreciate the differentiating value Gestamp provides them as a result of, among other things, the honest relationships we seek to establish and maintain. Moreover, any intention to influence people with decision-making by offering gifts or tokens of appreciation can lead to heavy penalties for the company".

In addition to these general considerations, the Code of Conduct provides specific instructions about how specific groups of employees must act who, due to the characteristics of their jobs, must work directly with suppliers and clients, or whose work is done in countries where gifts and tokens of appreciation may be common custom or courtesy. We thus ensure the control of any risk of corruption, favoritism or unfair competition.

ACTIONS

Does the organization have a specific action with regard to this principle that was carried out this year? If so, describe it (P10C111)

Response: Yes

Implementation: Annual account audits represent additional support to the control systems against fraudulent practices within the organization. The different Group companies consolidate their earnings annually, so that there is additional supervision of cash and banks at a corporate level, making the existence or possibility of fraudulent practices extremely difficult.

MONITORING AND MEASUREMENT OF IMPACTS

State the percentage of the total, broken down by each stakeholder that knows the codes of conduct and policies to fight corruption and bribery at the entity (P10C2I1)

Clients: 100

Employees: 91

Suppliers: 100

Implementation: Relations with clients are continuous, free-flowing and direct; therefore the knowledge of the Group's internal directives is conveyed directly and effectively to them.

91% of Group employees know the codes of conduct and similar documents in force at the different companies that contain directives on corruption.

With regard to suppliers, in 2011 100% of them had to carry out all the management through the Suppliers Portal, therefore they were always notified of operating conditions.

Are all donations to charities and sponsorships transparent and done in accordance with pertinent laws? (P10C4I1)

Response: Yes

Implementation: The donations and sponsorships made by the Group are managed and documented in accordance with the applicable legislation in each country. Account audits ensure that no irregularity takes place in these actions.

State if the entity has mechanisms in place to manage anti-corruption incidents (P10C6I1)

Response: Yes

Implementation: At present, the mechanisms for managing anti-corruption incidents are established by the respective procedures and individual codes of conduct that are currently in force at the different companies.

The Group has an objective to create an Ethics Committee, associated with the Code of Conduct, which will be responsible in the future for managing anti-corruption incidents, as well as other tasks mentioned above.

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This table of contents details the connotation of the indicators from the United Nations Spanish Network Progress Report to GRI indicators. In order to obtain level C reporting in the GRI initiative, the entity must perform the points detailed below:

Indicators on general information about the entity (profile, strategy, governance, objectives and United Nations subjects: 1.1; 2.1-2.10; 3.1-3.8, 3.10-3.12; 4.1-4.4, 4.14-4.15)

A minimum of 10 performance indicators, and at least one for each field: Economic (EC), Social (LA, PR, HR, SO) and Environmental (EN).

For further information about the exact requirements of GRI reporting, we recommend that you consult GRI's G3 and G3.1 reports.

GLOBAL COMPACT		GRI
RENEWAL OF COMMITMENT		
1	Entity's cover letter of commitment	1.1
ENTITY PROFILE		
2	Address	2.4
3	Entity name	2.1
4	Contact person	3.4
5	Number of employees	2.8
6	Sector:	2.2
7	Activity, main brands, products and/or services	2.2
8	Sales and revenues	2.8
9	Significant financial aid received from governments	EC4
10	Identification of stakeholders	4.14
11	State which criteria were followed in selecting the stakeholders	4.15
12	Countries in which it is present (where the entity has the majority of its activities or where it has a significant level of activity on sustainability) and the markets served	2.5, 2.7
13		2.9
14	Scope of the Progress Report (countries for which the entity reports information in the Progress Report) and its possible limitations, if there are any	3.6, 3.7
15	How have the materiality and most significant issues been established for inclusion in the Progress Report?	3.5
16		3.8
17		3.10
18		3.11
19	How is the Progress Report being disseminated?	

20	Awards and distinctions received during the reporting period	2.10
21	Period covered by the information contained in the report	3.1
22	Date of the most recent past report	3.2
23	Progress Report presentation cycle	3.3
STRATEGY AND GOVERNANCE		
24	State how the entity incorporates stakeholders' suggestions into its strategy and decision taking processes	4.17
25	State the entity's legal status, detailing the organisation chart	2.3, 2.6
26	State if senior management has discussed the strategic aspects of the 10 principles of the Global Compact and if it has measured progress by using the key performance indicators	
27	State the governing structure and who at a management level carries out the decision-taking and good-governance processes for the implementation of CSR in line with the principles of the Global Compact and state whether the chairman of the highest governing body also holds an executive position.	4.1, 4.2
28		4.3
29		4.4
UNITED NATIONS OBJECTIVES AND SUBJECTS		
30	State if the entity has joint projects and undertakes support initiatives related to the United Nation's objectives and subjects (UNICEF, UNWOMEN, Millennium Development Objectives, Global Compact initiatives, etc.)	
PRINCIPLE 1		
P1C211	State if the business has performed a diagnosis in which human rights risk factors are evaluated. If affirmative, state the risk and its impact	
P1C2I2	Does the entity have written human rights policies? Describe to what degree they have been implemented in the comments field	Areas: Social / Human rights / Policy
P1C1I1	Does the entity have a specific action with respect to this principle that was carried out this year? If affirmative, describe it	
P1C2I5	State if you use the results obtained from the monitoring mechanisms for human rights policies in the entity's strategic planning	
P1C4I1	State if the entity notifies its clients about the safety of its products and services. If the response is affirmative, state how	
P1C2I3	State if the entity has mechanisms in place for monitoring its human rights policies. Describe them	Areas: Social / Human rights / Evaluation & monitoring
P1C3I1	Percentage of employees out of the total who are notified and trained on the Human Rights Principles by which the entity is governed	
P1C4I3	State the number and type of:	PR4
P1C5I1 - C	Amount of money invested in the community (in kind, products or services) (thousands of euros)	
P1C5I2 - C	State if the entity performs an analysis of the projects it develops in the communities in which it is present and if it carries out education campaigns or campaigns with other characteristics that are of public interest in these communities	
P1C6I1 - C	Number of initiatives undertaken by the entity in order to prevent the infringement of	HR2

	human rights by the security forces hired in their scope of action. Describe them	
PRINCIPLE 2		
P2C2I1	State if the entity has performed a diagnosis in which human rights risk factors are evaluated for their supply chain (suppliers, contractors, etc.) or their business partners. If affirmative, state the risk and its impact	
P2C3I2	Does the entity have written policies that regulate relations with suppliers that are based on respect for human rights?	Areas: Social / Human rights / Policy
P2C1I1	Does the entity have a specific action with respect to this principle that was carried out this year? If affirmative, describe it	
P2C2I2	State the percentage of suppliers that hold certification out of the total	Areas: Social / Human rights / Evaluation & monitoring
P2C3I3	State the number of complaints and enquiries from / about suppliers (P2 C3 I3)	
P2C3I1	State the percentage of workshops in your supply chain that have been inspected, out of the total suppliers and contractors at the entity	HR10
PRINCIPLE 3		
P3C3I2	State if there are risk factors that could put the effective recognition of the right to collective bargaining in danger	HR5
P3C2I1	Does the entity have a policy to request information, make enquiries and negotiate with employees about changes in the operations of the organisations that provide information (for example, about the restructuring of a company)?	Areas: Social / Employment practices and work ethics / Policy
P3C1I1	Does the entity have a specific action with respect to this principle that was carried out this year? If affirmative, describe it	
P3C2I2	Does the entity have monitoring and measurement procedures that guarantee the formal representation of employees in decision making and managing the organisation? If affirmative, describe them	
P3C3I1	Does the entity has mechanisms to listen, to evaluate and monitor the outlooks, concerns, suggestions and criticisms of employees, with the aim of learning from and acquiring new knowledge? If affirmative, describe them	
PRINCIPLE 4		
P4C2I1	State if forced labour is a factor of risk at your entity, given the type of activity in which it works	HR7
P4C2I2	State if the entity has written policies that regulate the number of working hours established and the remuneration that its employees receive. Describe them	Areas: Social / Employment practices and work ethics / Policy
P4C1I1	Does the entity have a specific action in place with respect to this principle that has been carried out during the present year? If affirmative, describe it	
P4C3I2 - B	State if the entity carries out actions that let its principles and values be transferred to the supply chain, with regard to good working conditions and the absence of forced labour	
P4C3I1 - B	State if the entity verifies that its suppliers are faithful in complying with a reasonable number of working hours for their employees	
P4C4I1 - C	State if the entity controls and verifies abidance with labour laws and standards or holds certification of standards that prohibit forced labour (i.e. SA 8000)	Areas: Social / Employment practices and work ethics / Evaluation & monitoring

PRINCIPLE 5		
P5C2I1	State if child labour is a risk factor at your entity, given the type of activity in which it works	HR6
P5C2I2	State if the entity has written policies on the prohibition of child labour (for normal jobs, employees younger than 15 years of age, or 18, for dangerous jobs) that are openly communicated	Areas: Social / Employment practices and work ethics / Policy
P5C1I1	Does the entity have a specific action with respect to this principle that was carried out this year? If affirmative, describe it	
P5C3I2 - B	State if the entity carries out actions that let its principles and values be transferred to the supply chain, with regard to the absence of child labour	
P5C4I1 - C	State if the entity holds certification for the standards that prohibit child labour (i.e. SA 8000; p 1)	Areas: Social / Employment practices and work ethics / Evaluation & monitoring
P5C3I1 - C	Number of satisfactory verifications done in the year to rule out the employment of child labour among its suppliers	
P5C4I1 - C	State if the entity holds certification for the standards that prohibit child labour (i.e. SA 8000; p 1)	
P5C4I3 - C	Number of verifications done by the Human Resources Department to detect cases of child labour	
PRINCIPLE 6		
P6C2I2	State if the entity has performed a diagnosis in which the factors of risks of discrimination in hiring, training and promotion have been evaluated. If affirmative, state the risk and its impact	
P6C2I3	Does the entity have a written anti-discrimination and/or equal opportunity policy? Describe it	Areas: Social / Employment practices and work ethics / Policy
P6C1I1	Does the entity have a specific action with respect to this principle that was carried out this year? If affirmative, describe it	
P6C2I1	State the percentage of the composition of the management bodies of corporate governance (including the Board of Directors) and all other employees by category, gender, age and other diversity indicators	LA13
P6C2I4	State if the entity publicises the composition of governance bodies and the rest of the employees. If affirmative, state where this information is published	
P6C3I1	State the percentage composition of the management bodies of corporate governance (including the Board of Directors) and all other employees by category, gender, age and other diversity indicators	
P6C3I2	Number of cases opened and resolved that are related to accusations of harassment, abuse or bullying in the workplace	HR4
PRINCIPLE 7		
P7C1I1	Does the entity have a specific action with respect to this principle that was carried out this year? If affirmative, describe it	Areas: Environment / Training & awareness raising
P7C2I2	State if the entity has initiatives in place focused on reducing the consumption of energy, water, atmospheric emissions, water discharges or initiatives focused on improving biodiversity	

PRINCIPLE 8		
P8C2I4	State if the entity has identified its risks and responsibilities in environmental issues, taking its sector of activity into account	
P8C2I1	State if the entity has a written environmental policy, either independent or integrated into another series of policies	
P8C1I1	Does the entity have a specific action with respect to this principle that was carried out this year? If affirmative, describe it	
P8C2I2	State if the entity has effective mechanisms in place for evaluating environmental issues	
P8C3I1	Percentage of suppliers and contractors of goods and/or services with environmental management systems implemented by type (i.e. ISO 14,001, EMAS, etc.) %	
PRINCIPLE 9		
P9C1I1	Does the entity have a specific action with respect to this principle that was carried out this year? If affirmative, describe it	
P9C2I1	Number of studies, reports written and communications sent during the year to increase the dissemination of environmentally-friendly technologies and to improve energy efficiency	
P9C2I2	Financial investment, out of the total gross revenues, in the current year for the development and publicising of technologies that are not aggressive to the environment	
PRINCIPLE 10		
P10C3I1	State if the entity has performed a diagnosis to find out the areas of greatest internal risk at the organisation and in its sector of activity and identify what these risks are and their impacts	
P10C2I2	State if the entity has a written policy defined against corruption, extortion and money laundering	Areas: Social / Society / Policy
P10C5I1	Does the entity's policy include controls and procedures related to gifts, invitations and business expenses, including their limits and channels of information?	
P10C1I1	Does the entity have a specific action with respect to this principle that was carried out this year? If affirmative, describe it	Areas: Social / Society / Training & raising awareness
P10C2I1	State the percentage of the total, broken down by each stakeholder, that has been notified of the codes of conduct and policies to fight corruption and bribery at the entity	
P10C4I1	Are all donations to charities and sponsorships transparent and done in accordance with pertinent laws?	
P10C6I1	State if the entity has mechanisms in place to manage anti-corruption incidents	SO4 and Areas: Social / Society / Evaluation & monitoring
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