

SUSTAINABILITY REPORT 2012



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SUSTAINABILITY REPORT

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## GESTAMP GROUP

Alfonso XII, 16  
28014 Madrid

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# LETTER FROM THE PRESIDENT

It has been 16 years since Gestamp was founded; looking back allows us to realise how far we have progressed together in this time.

We were facing a business with a very high level of requirements in terms of quality, delivery and cost, but we were convinced that, by doing things well, there was a real opportunity to make Gestamp a large, global company. Today, we have nearly one hundred production sites in twenty countries, with over 28,500 employees. We have undoubtedly established ourselves as a leading supplier for automobile manufacturers.

The Gestamp project has evolved very fast; over the years, we have been completing stages based on the strategy that we set out at the beginning of our journey: we made a commitment to establish ourselves internationally, to support our customers as they expand. Next, we wanted to develop new technologies aimed at enhancing our profile as a supplier able to provide added value. We diversified our product offering, we learned how to start-up businesses in places with little industrial culture, we acquired other industrial groups such as Edscha and the metal components division for automotive industry of ThyssenKrupp, and we sized our organisation to meet the challenges ahead.

However, beyond the milestones that marked our path, what has most certainly characterised this project is that we have always maintained our initial values. We believe in long-term projects, based on honesty, effort, and developing relationships of trust with our stakeholders and respect towards the different environments in which we operate.

We have become a global company comprising people from many different nationalities, and we now face the exciting challenge ahead to get all of us to share a common culture and goals.

Consequently, one of the most important milestones we have set for this year is for the entire organisation to become familiar with and accept our Code of Conduct, as well as to establish appropriate channels so there can be fluid and open communication about areas for improvement that can be detected at any level of the company.

With an aim to enhance the process that implements the Code, we wanted the structure of this first Sustainability Report – in which we show Gestamp's economic, social and environmental performance – to be based on the principles that define our corporate culture, which are contained in the Code itself.

With regard to environmental and safety issues, I would like to clearly highlight our commitment to offering our customers products that are lighter and safer. This commitment allows us to help to reduce the environmental impact of cars and increase passenger and pedestrian safety.


We have made a clear commitment to controlling and reducing emissions stemming from our activities. As a result, we have launched an ambitious project to quantify emissions from our processes by developing indicators. This will allow us to set objectives for future improvement. We also want to be transparent with this commitment, and hence we are participating in the “Carbon Disclosure Project” initiative.

Another aspect that distinguishes us is our strong commitment to training in matters related to industrial development. We believe that promoting the training of professionals in places where there is little industrial culture is a guarantee of future sustainable growth. Consequently, we allocate significant human, material and financial resources to sharing knowledge about production technologies, encouraging the exchange of professionals between countries in the Gestamp network and promoting a culture of quality, safety and caring for the environment.

We also work in close collaboration with universities, business schools and vocational training centres in order to generate industrial culture and technical expertise among the population. This allows us to improve employability in the milieus where we operate.

Lastly, I'd like to mention our Occupational Health and Safety Policy. We are committed to providing our employees with a safe working environment; to do this, we have developed and we are implementing an innovative system to measure company performance, to monitor progress and to extend our policy quickly and clearly across the entire organisation.

Ahead of us lie ambitious challenges in an increasingly complex global environment marked by important challenges with regard to sustainability issues affecting the whole industry in general and the automotive sector in particular. But, if we take a look at our past, we can see everything that we have been able to achieve over time. It has been a joint effort by those of us who work for Gestamp and those who – in different areas of the company and society, and in one way or another – have a relationship with us. I sincerely hope to continue to enjoy the support of all our stakeholders, both inside and outside Gestamp, so that together we can move forward along this path.



*Francisco J. Riberas*  
*President of Gestamp*



# GESTAMP GROUP

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WE ARE

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GOVERNANCE

**Gestamp** is an international business group dedicated to the design, development and manufacture of metal components and assemblies for the automotive industry, especially for light vehicle production.

## ABOUT US

We are a benchmark supplier for leading vehicle manufacturers such as Volkswagen, Renault-Nissan, Peugeot-Citroën, Daimler, GM, BMW, Ford, Fiat-Chrysler, Jaguar-Land Rover, Tata, Volvo, Hyundai, Toyota and Honda, among others.

## WHERE WE ARE

The automotive sector is one of the economy's most globalised industries. At Gestamp, we know that in order to progress, we must be close to our customers. This is why we are present in the major automobile manufacturing locations worldwide.

As of 31 December 2012, we have 94 production sites and 4 more sites under construction. These are spread across 19 countries (Spain, Sweden, Poland, Hungary, the UK, Germany, France, Russia, Portugal, Turkey, Argentina, Brazil, United States, Mexico, Korea, China, India, Slovakia and the Czech Republic):

- EUROPE: 63 sites
- NORTH AMERICA: 9 sites
- SOUTH AMERICA: 10 sites
- ASIA: 15 sites

**28,566**  
**EMPLOYEES**

**€5,757 M**  
turnover

94 PRODUCTION  
SITES

4 NEW

production sites  
under construction

USA

MICHIGAN 2  
WEST VIRGINIA \*  
TENNESSEE  
CHATTANOOGA  
ALABAMA

MEXICO

AGUASCALIENTES  
TOLUCA  
PUEBLA

BRAZIL

TAUBATÉ  
SOROCABA  
SANTA ISABEL  
PARANÁ  
GRAVATAÍ

ARGENTINA

CÓRDOBA  
BUENOS AIRES 3

SWEDEN

LULEÅ

GERMANY

LUDWIGSFELDE  
BIELEFELD  
HAYNRODE  
WESTERBURG  
HENGERSBERG  
HAUZENBERG

UNITED KINGDOM

NEWCASTLE  
WASHINGTON  
NEWTON-AYCLIFFE  
CANNOCK  
LLANELLI  
LUTON  
FAREHAM

PORTUGAL

VILANOVA DE CERVEIRA  
AVEIRO  
VENDAS NOVAS

SPAIN

SANTÁNDER  
VIZCAYA 6  
VIGO 2  
BURGOS  
NAVARRA 2  
BARCELONA 4  
PALENCIA 2  
ZARAGOZA 3  
VALLADOLID  
TOLEDO  
VALENCIA  
LINARES

FRANCE

ST. ROMAIN  
GOUZEAUCOURT  
LE THEIL  
PURE  
BRIEY  
GRETZ-ARMAINVILIER  
TOUMAN  
SERMAISES  
RONCHAMP

HUNGARY

MÖR

POLAND

POZNAN  
WROCLAW

SLOVAKIA

VELKY MEDER

CZECH

LOUNY  
HRADEC  
KAMENICE

RUSSIA

SAN PETERSBURGO  
KALUGA  
TOGLIATTI

TURKEY

GEBZE  
BURSA 3

KOREA

DAEGU  
BUSAN

INDIA

PUNE 2  
CHENNAI 3

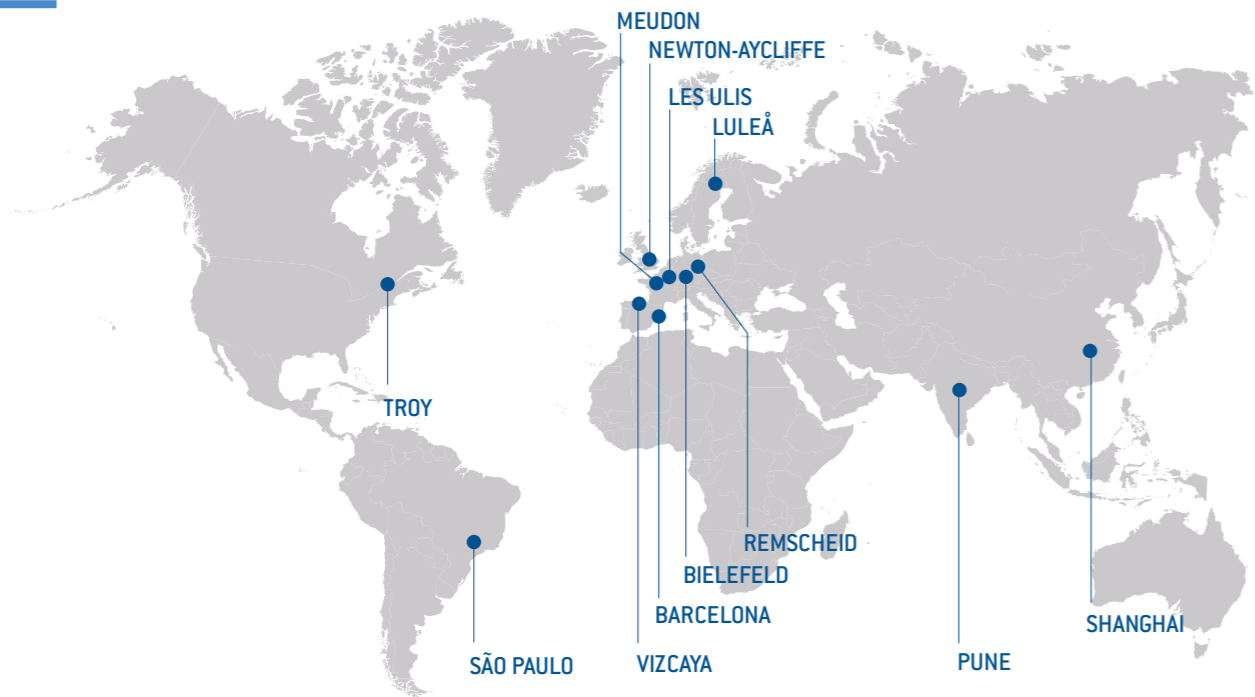
CHINA

SHENYANG \*  
HEFEI  
SHANGHAI 2+1\*  
CHONGQING  
WUHAN  
DONGGUAN \*

\* UNDER CONSTRUCTION

## 12 R&D CENTERS

Our commitment to innovation is reflected in our twelve R&D centres we have in Europe, Asia and the Americas.



## BUSINESS LINES AND PRODUCTS

We offer our client a wide range of products, manufactured primarily from steel which are integrated into the vehicle body and define its structure.

We focus our activity on the following major business lines:



### Metal components for vehicle bodies

The body is the essential structure of the vehicle. The vehicle body is made from stamped metal parts which are subsequently welded together.

Metal body components are classified into two groups: exterior parts and structural parts.

The category “external parts” refers to the individual parts and assembled sets of parts that make up products such as bonnets, roofs, doors and wings. As the exterior parts make up the vehicle’s visible exterior, they are known in the industry as “skin parts” and require perfect finishes and flawless surfaces.

Structural parts are the parts that form the vehicle’s “skeleton” and include floors, pillars, struts and wheel arches. Although these parts are not visible, they are crucial for safety and especially relevant in the event of a crash.


Category	Type
Exterior	<ul style="list-style-type: none"><li>• Hoods</li><li>• Roofs</li><li>• Fins</li><li>• Doors</li></ul> 
Structural	<ul style="list-style-type: none"><li>• Floors</li><li>• Pillars</li><li>• Rails</li><li>• Wheel arches</li><li>• Front modules</li><li>• Bumpers</li><li>• Dashboard crossbeams</li></ul> 

### Chassis

The lower part of the vehicle body structure is formed by the chassis; its design is determined by weight and the distribution of weight loads. The structures making up a vehicle’s chassis include stretched formed stamped metal parts along with a variety of assembled components.

These structures are crucial to the car’s overall performance, to consistency and to its safety. They are particularly influential on noise, vibration, driving and impact management.

Axles and suspension arms are good examples of chassis products.

Category	Type	
Axles	<ul style="list-style-type: none"><li>• Front axles</li><li>• Rear axles</li></ul>	
Suspension arms	<ul style="list-style-type: none"><li>• Front/rear suspension arms</li><li>• Integrated suspension arms</li></ul>	

Mechanisms

Our product portfolio of mechanisms includes mechanical components such as hinges for doors, bonnets and hatch-back doors, as well as door stays which connect these parts to the vehicle assembly, enabling it to move and turn. We also offer integrated opening systems, a combination of hinge and stay.

We have developed automatic opening systems. These are electrical systems that enable car doors to be opened and closed via remote control.

Category	
<ul style="list-style-type: none"><li>• Hinges</li><li>• Door checks</li><li>• Automatic opening systems</li><li>• Powered systems</li><li>• Hand brakes</li><li>• Pedal boxes</li></ul>	

Other products (tooling)

We have extensive in-house capabilities to design, engineer and manufacturing dies. We

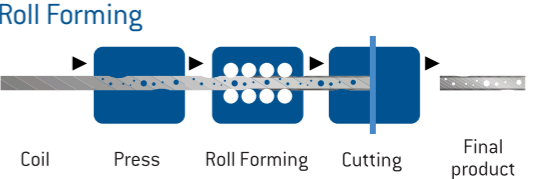
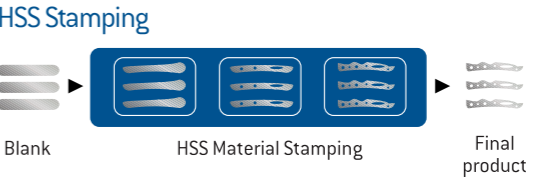
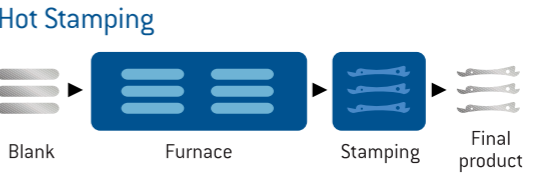
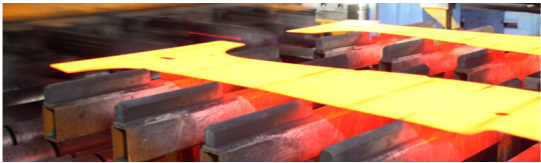
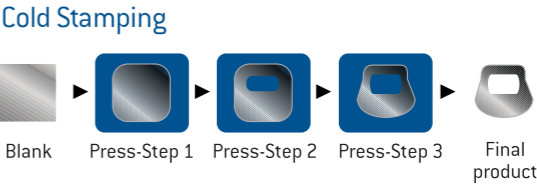
also have the capacity to build presses in-house.

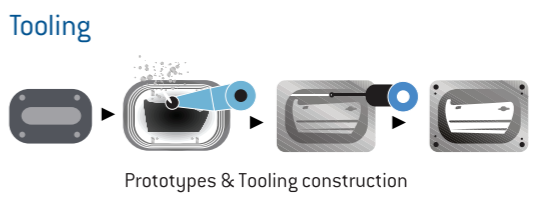
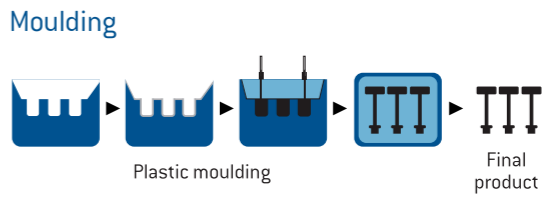
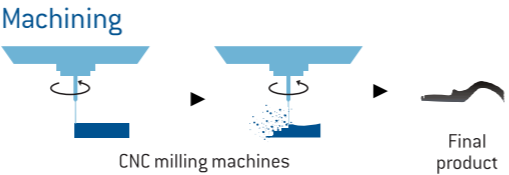
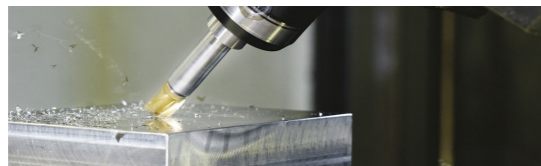
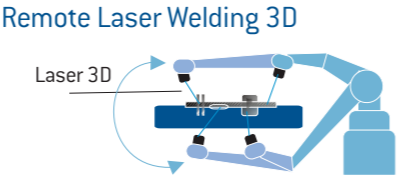
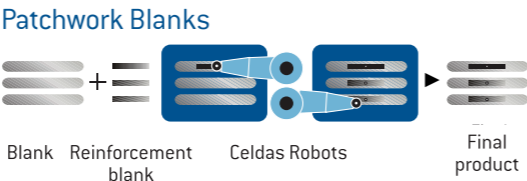
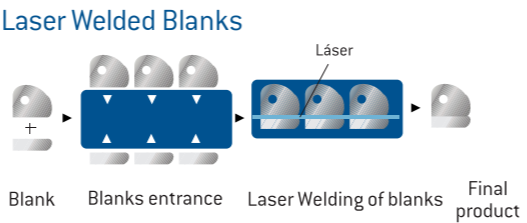
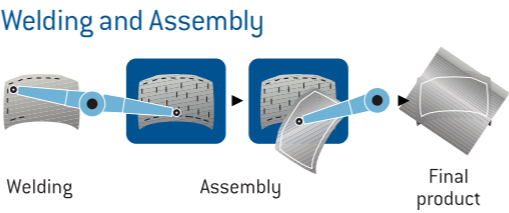
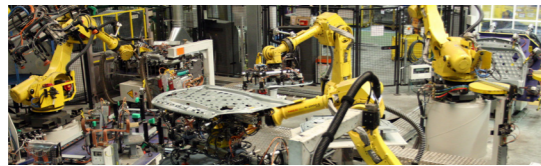
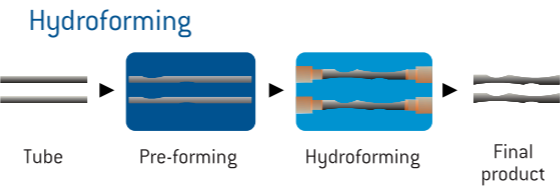
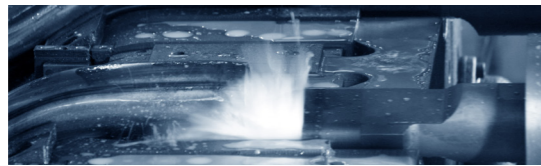
MANUFACTURING PROCESSES

Since we were founded in 1997, we have had an ongoing commitment to incorporate new technologies into our manufacturing processes and to develop traditional technologies. We started off as a company based solely on cold stamping small parts and we have become a company based on multiple technologies.

Our manufacturing is done using a large portfolio of technologies and capabilities all along the value chain, including:

- In-house capabilities for manufacturing tooling and tools.
- A wide range of forming technologies, from the latest technology (hot stamping) to profiling and hydroforming, including a wide range of traditional cold stamping processes for various products using different materials
- Advanced assembly technologies such as remote-control laser welding
- Finishing technologies such as powder coating and cataphoresis.





All our products guarantee our customers' specifications. To achieve this, we have rigorous quality management systems

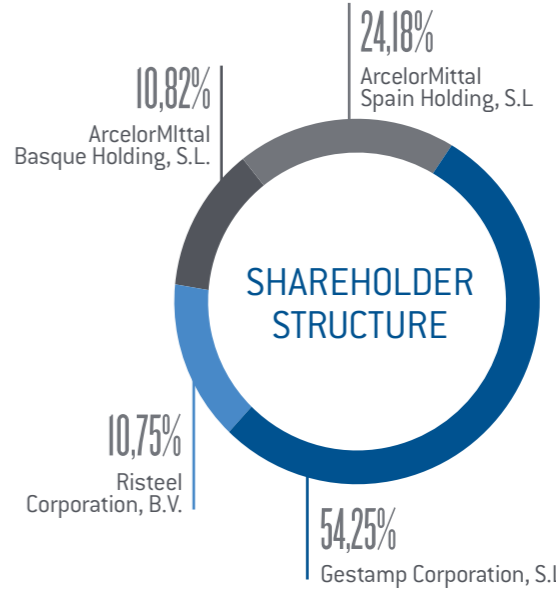
backed up by the QS9000, VDA-6, ISO 9001/9002 and ISO TS 16949 certifications, among others.

## CORPORATE GOVERNANCE

The Gestamp Group consists of Gestamp Automoción S.L. and its subsidiaries.

Gestamp Automoción S.L.'s corporate purpose is to assess and finance its subsidiaries and connect them to the automotive industry. All Gestamp Group subsidiaries have focused their activity on the development and manufacture of metal components for the automotive industry by means of stamping, assembly, welding and joining of blanks and the construction of dies, as well as certain companies dedicated to services and to the research and development of new technologies<sup>1</sup>.

Our shareholder structure as of 31 December 2012 was as follows:



<sup>1</sup>For further information on the Companies that make up the Gestamp Group, please consult our Consolidated Financial Statements for the period ending the 31st December 2012.

Capital

GESTAMP's capital as of 31 December 2012 was represented by 4,795,953 indivisible, accumulated registered shares (the same as in 2011) of 60.10 euros par value each, all with equal rights and obligations and fully subscribed and paid up.

The deed changing the company from a limited liability company to a public limited company was recorded in August 2012, so the equity interests into which the capital was divided became registered shares.

There are no by-law restrictions on the transferability of the shares representing capital stock, and they cannot be listed on the market.

The Group's governance and administration are performed by the Board of Directors, whose structure and responsibilities are regulated by articles of association and the legislation in force regarding companies.

Our Group's Board of Directors comprises the Chairman, Secretary and seven Directors, none of whom is independent.

In addition, the Chairman of the Board of Directors is also the Chief Executive Officer.

The structure of the Board of Directors as of 31 December 2012 was as follows:

Position	Name
Chairman	D. Francisco José Riberas Mera
Secretary	Holding Gonvarri (Rpte: D. Juan María Riberas Mera)
Director	Gestamp Bizkaia, S.A. (Rpte: D. Francisco José Riberas Mera)
Director	Risteel Corporation, B.V. (Rpte. D. Francisco López Peña)
Director	Autotech Engineering, A.I.E. (Rpte: D. Juan María Riberas Mera)
Director	D. Angel Gamboa Llona
Director	Arcelormittal Basque Holding, S.L., (Rpte: D. Jean Martin Van der Hoeven)
Director	Arcelormittal Esperbras, S.L. (Rpte: D. Robrecht Himpe)
Director	Arcelormittal Gipuzkoa, S.L. (Rpte: D. Gonzalo Urquijo Fernández de Araoz)

Remuneration

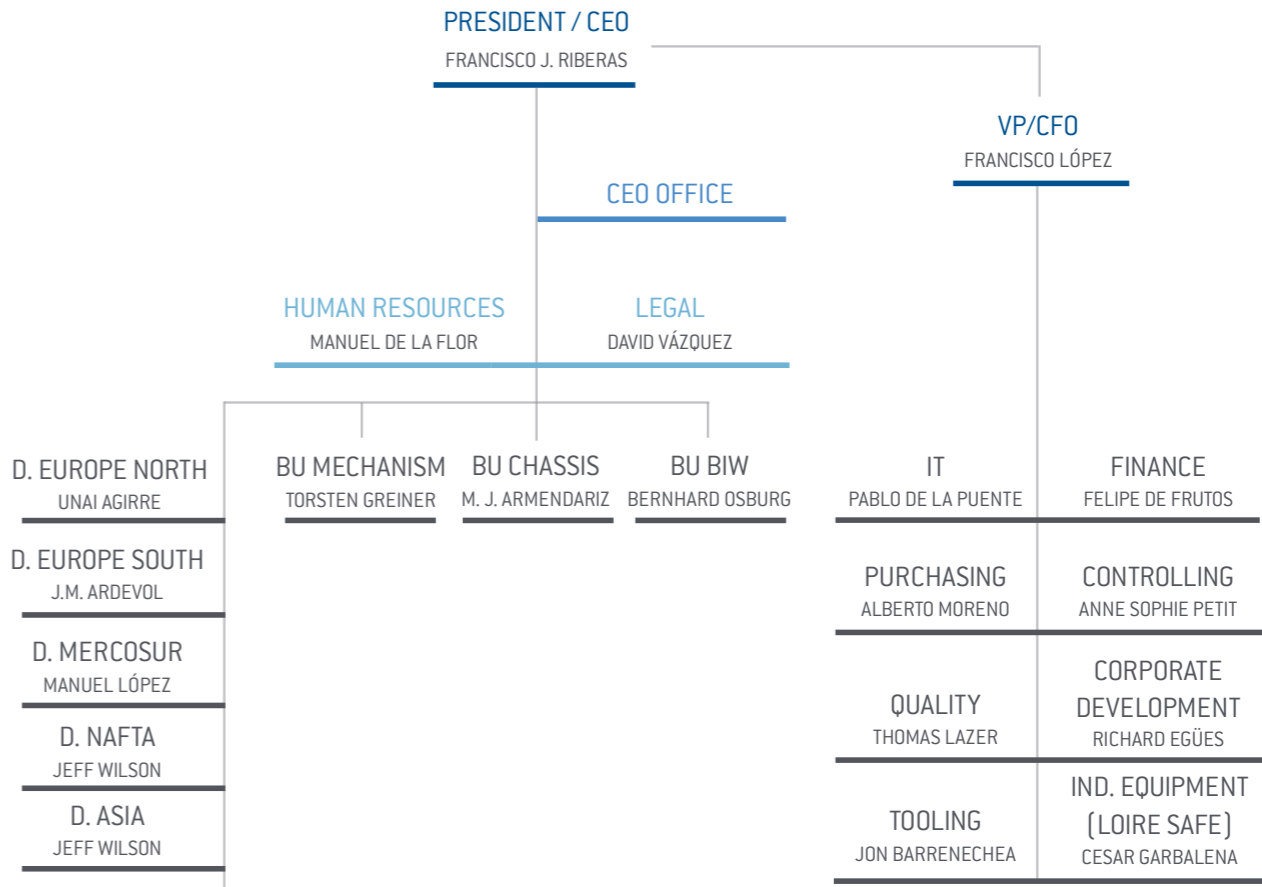
The members of the Board of Directors did not receive any remuneration for any reason from Gestamp during financial years 2012 and 2011.

None of the companies comprising the Group granted the members advances or assumed pension or life insurance obligations in their interest, although their remuneration comes from Gestamp Corporation. (For more information see the Gestamp Corporation's Financial Statements).

Organisational structure

Our Group's strong growth in recent years, together with the increasing globalisation of our activities and the increased focus on products and technology, suggested there was a need for an organisational restructuring, which was undertaken in 2011 and came into effect in 2012. The appearance of product-based lines of business (also known as "business units") with overall responsibility for products and customers, the strengthening of Corporate Management with a more international focus and regional organisations in countries such as Germany, Russia and India have been the main changes carried out with the aim to enhance the Group's operational efficiency in the future.

The organisational structure as of 31 December 2012 was as follows:



# SUSTAINABILITY INGESTAMP

33	31	27
OUR FIGURES	STAKEHOLDER MANAGEMENT	CORPORATE CULTURE, OUR MANAGEMENT STYLE FRAMEWORK

When we talk about sustainability at Gestamp, we mean it in the broadest sense.

Sustainability at Gestamp means sustainable over time, and as such it is one of our Business Principles and we believe that to achieve it, we need to be aware of our surroundings and respond to the expectations that society and the people close by have of us. For this reason, we pursue economic, environmental and social objectives equally.

We believe in long-term projects, based on honesty, effort, and developing relationships of trust and respect within the different environments in which we operate.

#### CORPORATE CULTURE, OUR MANAGEMENT STYLE FRAMEWORK

We formally defined our Corporate Principles in December 2011 to coincide with the adoption of the Code of Conduct. However, these principles are not new to us; throughout the years we have always tried to respect them. We believe that they have allowed us to position ourselves as leaders in the industry which explains the evolution of Gestamp in recent years.

Our Vision, “to be the supplier in the automotive industry that is best known for its ability to adapt its business to create value for the client, while maintaining a sustainable economic and social development”, is the challenge we set for the future. To achieve this we must base our actions on the Principles, we believe this is the way it should be done, and people who are part of Gestamp, regardless of their culture or the idiosyncrasies of their location, must understand this.

Corporate Principles

1

THE CLIENT AS  
THE CENTRE OF  
THE BUSINESS

The basis of our business lies in achieving and maintaining a client portfolio by developing and providing products that offer high value in terms of innovation, price, quality, safety and environmental impact.

We must be able to take the lead in providing the best solutions so that the business of each of our clients prospers, which requires having a thorough understanding of their needs in the short, medium and long term.

Building solid, honest and lasting relationships with our clients is what really sets us apart.

2

INNOVATION  
AS A MEANS  
OF PROGRESS

Innovation enables us to consolidate the Group's leadership and to provide new alternatives for products and processes that bring value to clients and efficiency to our internal management.

Our challenge is to be at the forefront of innovation in our sector, to be innovative and to get our clients to be aware of the differential value provided by Gestamp.

3

SUSTAINABILITY  
TO ENSURE  
PERMANENCE IN TIME

We plan to grow and to be around for a long time. Financial strength, profitability, cautious risk management and respect for the different environments in which we operate are the best guarantees of our future.

Winning the trust of our shareholders and business partners, complying with the laws of the countries where we operate, expressing our support for fundamental human rights and making health, safety and environment important issues.

4

PEOPLE AS  
ARCHITECTS  
OF SUCCESS

Talent, motivation and the ability to work as part of a team of people are essential assets for Gestamp's success.

Promoting the personal and professional development of employees, which then brings about the fulfilment of other business objectives.

The Code of Conduct came into force in late 2011 to ensure the integration of our corporate culture in each and every one of our employees. It's implementation began in 2012 and will continue throughout 2013.

### Code of Conduct

The Code of Conduct contains a number of rules of conduct drafted based on our Business Principles, with further inspiration from the principles of human rights, labour, environmental and anti-corruption of the United Nations Global Compact, we have been part of this initiative since 2008.

In fact, the Code of Conduct is designed to be the mainstay of our commitment to integrity and a point of reference for anyone who has doubts about what they are expected to do in a given situation.

In summary, the Code of Conduct relates to:

- Health and Safety, which transfers the mutual commitment of both the company and employees, to achieve a safe and healthy working environment.
- Care and protection of the environment. This includes a commitment to minimize the environmental impact of our activities, complying with the policies and procedures established by management systems.
- Employees, where it establishes, among other things, respect and fair treatment at work, limitations and incompatibilities, conflicts of interest, as well as issues related to privacy and confidentiality.

- Regarding trading partners, it determines codes of conduct related to fair competition, the demand for or acceptance of gifts and tokens of appreciation.

- Guidelines on how to behave with public authorities and communities. Among the subjects are bribery and corruption, a commitment to the community (local hiring policy), or political activity.

- Two sections on the management of information with regard to the accuracy of the information and how it is handled, and asset protection.

The Code establishes a Communications Channel as well as the appointment of an Ethics Committee, responsible for addressing and resolving breaches, queries, questions on the interpretation and the appropriateness of specific rules created within the Code of Conduct framework.

## STAKEHOLDER MANAGEMENT

Our Corporate Principles summarize our culture as a business and are a testament to the importance that Gestamp places on managing relationships with stakeholders.

We look after our customer relations. We know that Gestamp's success involves establishing honest relations with them. After all, we only have 12 or 14 customers and all of them are major multinational companies known for their innovative quality products.

We continuously have people from our customers visiting our factories to help in

matters of quality or processes, our R&D teams work together with customer's teams in the development of parts several years before the vehicle is launched and our sales teams attend to their requirements. The relationship is always close and seamless.

Furthermore, we are not a listed company and have very few shareholders, and they actively participate in the management of the Group.

We now have many main suppliers of raw materials and components and relations with them are based on trust.

Employees have always been a key stakeholder for the company. The evolution of Gestamp would not have been possible without a skilled and motivated workforce. Projects are becoming increasingly more complex and we need tools that are capable of dealing with them.

In short, stakeholder management at Gestamp has been based on close relations since its inception. These relations are characterized by close and continuous communication, which has generated confidence and mutual respect that has been nurtured over time.

In recent years, due to the current size of the Group and above all, because of our global presence and the arrival of new business partners, our relationships with stakeholders have been changing and are now more complex. It has been necessary to strengthen some of the existing relations and to identify new groups which we can turn to.



Our global position is also increasing our presence and visibility in institutions, organizations within the industry and appearances in the media.

Therefore, our objectives include establishing a stakeholder relationship map that addresses the current complexities and that includes all levels of the company, whether they are local, divisional or corporate.

This map will be used to assess and manage relationships with stakeholders according to their importance. Appropriate lines of communication will be established for each one that will allow information to flow better, to identify needs and expectations and to be better able to respond to their demands.

OUR FIGURES

With this first Sustainability Report we want to show our performance and begin a communication process to disclose the facts and accomplishments that we consider relevant for each aspect, and we will communicate them annually.

The most significant 2012 data for Gestamp are as follows.





## 183% GROWTH

in sales over the past 3 years.

€5,757 M

turnover.

€620 M

EBITDA.

R&D

12 CENTRES

1,000 EMPLOYEES

€30 M IN PROJECT MANAGEMENT



## 13% GROWTH

in the workforce compared to 2011 and 116% over the last 3 years.

93%

open ended contract employees.

57%

of people aged between 26 and 45.

18% ARE WOMEN

1.8% OF THE PEOPLE

have disability.

20.6 TRAINING HOURS

per employee.



## 0.22 ACCIDENT SERIOUSNESS RATE

€14.1 M

in improvements and risk management projects.

133 PEOPLE

dedicated to Health and Safety management.

9% IMPROVEMENT

in Working Conditions.

14% IMPROVEMENT

in management.



## 77% OF THE MANUFACTURING FACILITIES

Have ISO 14001.

350,120 TONNES

of CO2 equivalent emitted into the atmosphere.

3,15% REDUCTION

in tonnes of CO2 equivalent with respect to turnover.



## 123 EXPATRIATES AND POSTED WORKERS

provide support to new projects or manufacturing facilities in other countries.

165 SUPPLIER AUDITS

93% OF SUPPLIERS

of raw materials and components have quality certification.

€541,305

allocated to donations and sponsorships.

# 101

## FINANCIAL DEVELOPMENT AND INNOVATION

“We are committed to growth with a long term view. The financial strength, profitability, prudent risk management and respect for the different environments in which we operate are our best guarantees for a secure future”.

“Our challenge is to position ourselves at the forefront of innovation in our industry. Be innovators and get our customers to see the added value that Gestamp gives them”

*Excerpt from Corporate Principles,  
Gestamp Group Code of Conduct*

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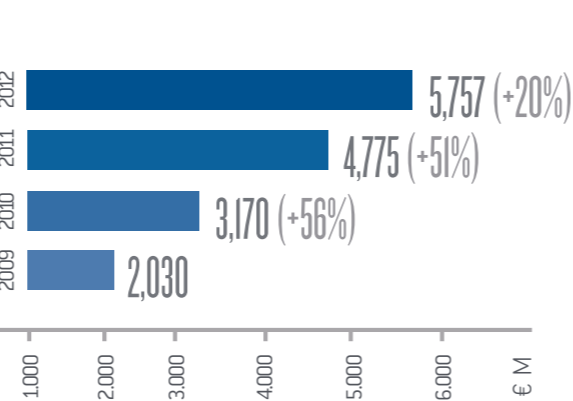
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Over the last 10 years, Gestamp has enjoyed strong growth based on the high technological value and quality we offer to our customers, on our investments in manufacturing facilities and in production resources as well as on our international development.

This growth is reflected in our turnover, which has increased by over 180% over the last three years.

Turnover evolution 2009/2012



OUR STRATEGIC FOCUS

High level of business diversification  
by region, customers and products

Geographic diversification

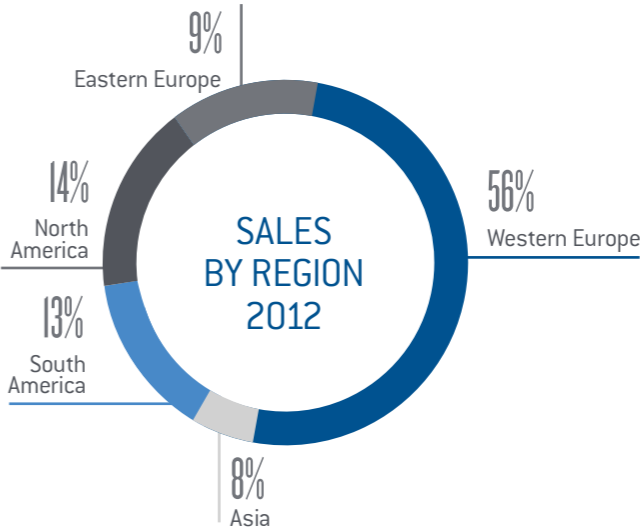
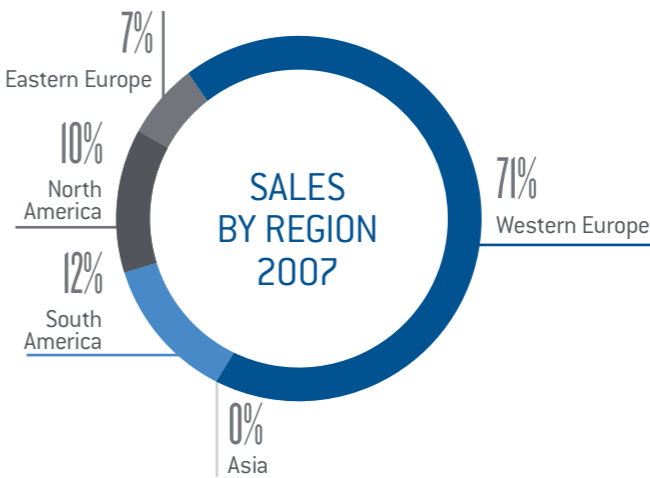
We have a global presence, with 94 manufacturing facilities in 19 countries on four continents. Over the last five years, we have opened 18 manufacturing facilities in growing markets and we have another 4 under construction.

In terms of revenue, we are leaders in most emerging markets, which gives us an advantage over competitors that have yet to establish themselves in these markets.

Our expansion strategy is linked to our customers' plans for growth, and we take the decision of when and where we develop, coordinating our plans for expansion with theirs.

This geographic diversity allows us to take advantage of global growth opportunities and has mitigated the impact of the fluctuations in regional demand in our business during periods of economic crisis.

The following tables show the evolution of our geographic diversification between 2007 and 2012 by revenue:

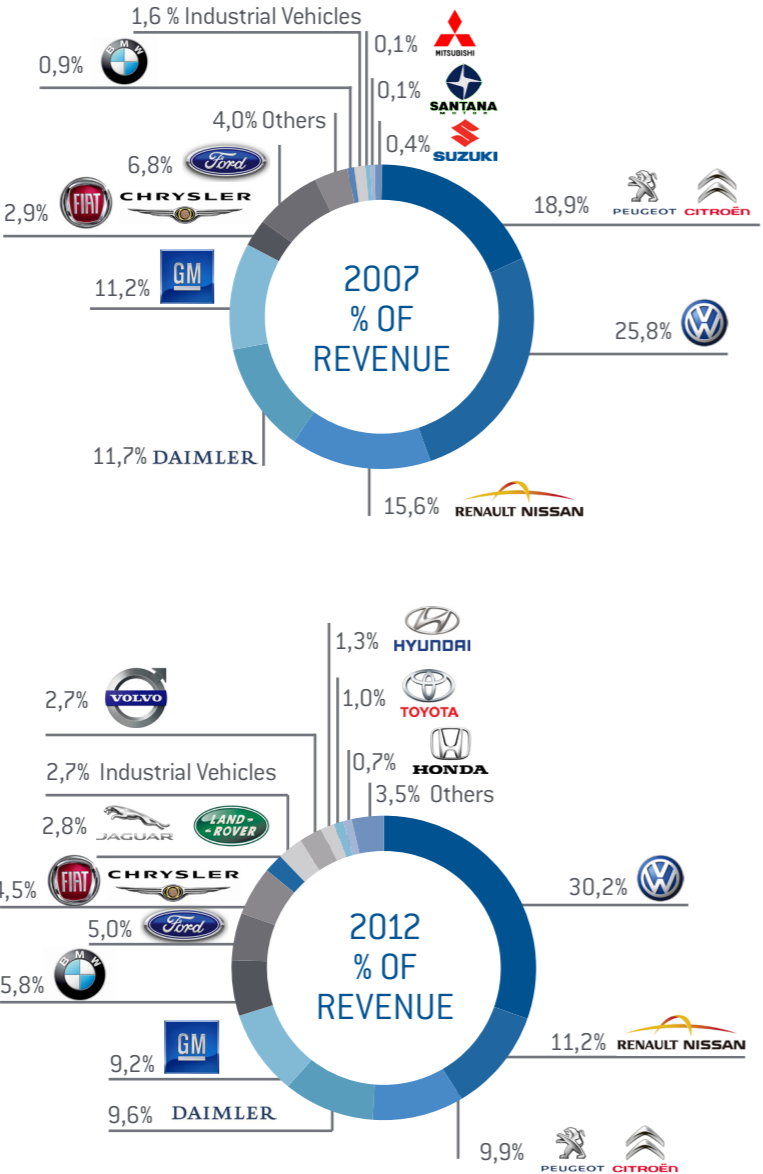


Customer diversification

We have a diversified customer base that includes the 12 largest automobile manufacturers in terms of production volume, including Volkswagen, Renault-Nissan, PSA, Daimler, General Motors and BMW. During fiscal year 2012, our three largest customers accounted for 51% of sales, while in 2007 they accounted for 60%.

We have followed a strategy of diversifying our customers and we have forged new global relationships with Jaguar Land Rover, Hyundai, Toyota, Honda and other manufacturers with whom we had limited relations before 2007. The following tables show the evolution of our customer base between 2007 and 2012:

- 01 FINANCIAL DEVELOPMENT AND INNOVATION
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Product diversification

Our product portfolio consisted primarily of body products and, to a lesser extent, chassis products. With the acquisition of ThyssenKrupp Metal Forming in 2011, we strengthened our position significantly in

chassis products. Body and chassis sales accounted for 82.5% of our revenues in 2012. The 2010 acquisition of the Edscha components business unit – a mechanism

manufacturer – has allowed us to further increase the range of products we can offer automobile manufacturers. Mechanism product sales accounted for 11.9% of our total revenues in 2012.

This diversification of our product portfolio – supported by our main customers – has helped us strengthen strategic relations with automobile manufacturers, which can turn to us for innovative solutions and high-quality products that cover the entire value chain.

Gestamp BIW



Gestamp Chassis

Product line

Innovation and Technology

We work in a highly competitive and globalised industry and we must constantly change and adapt in order to meet our customers' needs and expectations.

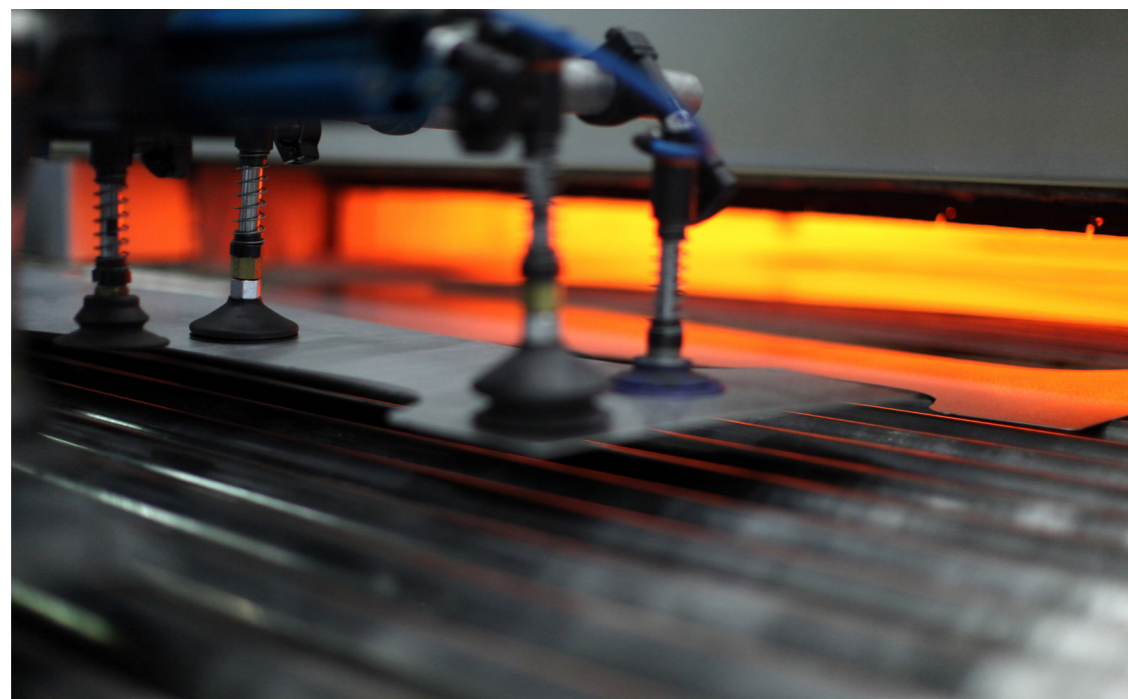
One of the global trends in the automotive industry is the growing attention aimed at innovative and technologically advanced products that are

successful in improving the safety of passengers and other road users and, at the same, reducing weight and therefore, emissions.

According to studies we have done internally, we estimate that a 10% weight reduction in a vehicle weighing 1,500 kg produces an emissions reduction of between 10 to 20 g CO<sub>2</sub>/km.

In terms of safety, we have shown through different tests that in a frontal crash, a vehicle equipped with high-strength crossbeams has

a deformation of up to 60% less than a vehicle equipped with standard crossbeams of the same weight.



Consequently, we believe that innovation and R&D are key factors for success through differentiating our products and services.

When designing and manufacturing our products, we work closely with automobile manufacturers from the early stages of development up to final production. Besides allowing us to meet their expectations in terms of current products, this collaboration makes it easier to jointly develop body related concepts and technologies for the future.

During the process of conception, design and production of a product, we focus on reducing weight and increasing passive safety, as well as on comfort, durability, recyclability at the end of its useful life and quality, which are manufacturers' main demands today.

These demands entail an increasing use of high-strength steels, and have made hot stamping a key technology for the industry.

With many years of experience and know-how with this manufacturing process, the Group is one of the pioneers in this manufacturing process.

We have made significant investments over the past three years aimed at developing and extending this technology around the world, enabling us to meet growing demand from automobile manufacturers for our products.

We are the world's largest supplier of hot-stamping parts. As of 31 December 2012, we had 41 hot stamping lines installed worldwide, with 6 more to be installed towards the end of 2013 and another 8 lines that we estimate will be installed in 2014.

Our innovative products and our market-leading processes have been developed by our R&D, which comprises a team of about 1,000 people and over €30 M is spent on project management.

These teams are divided among our 12 R&D facilities all over the world and in our manufacturing facilities.

We have the latest tools and testing facilities required for the design and validation of new products. In this regard, we have, for example, a track to test low-speed impacts and a workshop equipped with manufacturing machines to perform tests.



## BEST PRACTICE. INNOVATION TO OBTAIN LIGHT, SAFE PRODUCTS

Hot-stamping is an innovative process in which a flat ultra high-strength steel plate is transformed into a part with complex shapes. The process involves heating the steel sheet metal until it is malleable, followed by deformation and then a quick cooling in specially designed moulds to create processed and hardened material.

Because of this ability to efficiently combine hardness and complexity, hot stamped parts accomplish with a single, lightweight piece, what would typically require thicker and heavier pieces welded together during more than one cold stamping process. Therefore, hot stamping is today one of the most advanced solutions for lightening the weight of automobile bodies. It also provides better performance when there are crashes and, therefore, better passenger safety.

Close collaboration between our R & D team and the various units that have in-depth knowledge of the technology, has resulted in the creation of a sophisticated process patented by Gestamp called “Tailored Material Property” or “TMP” design.

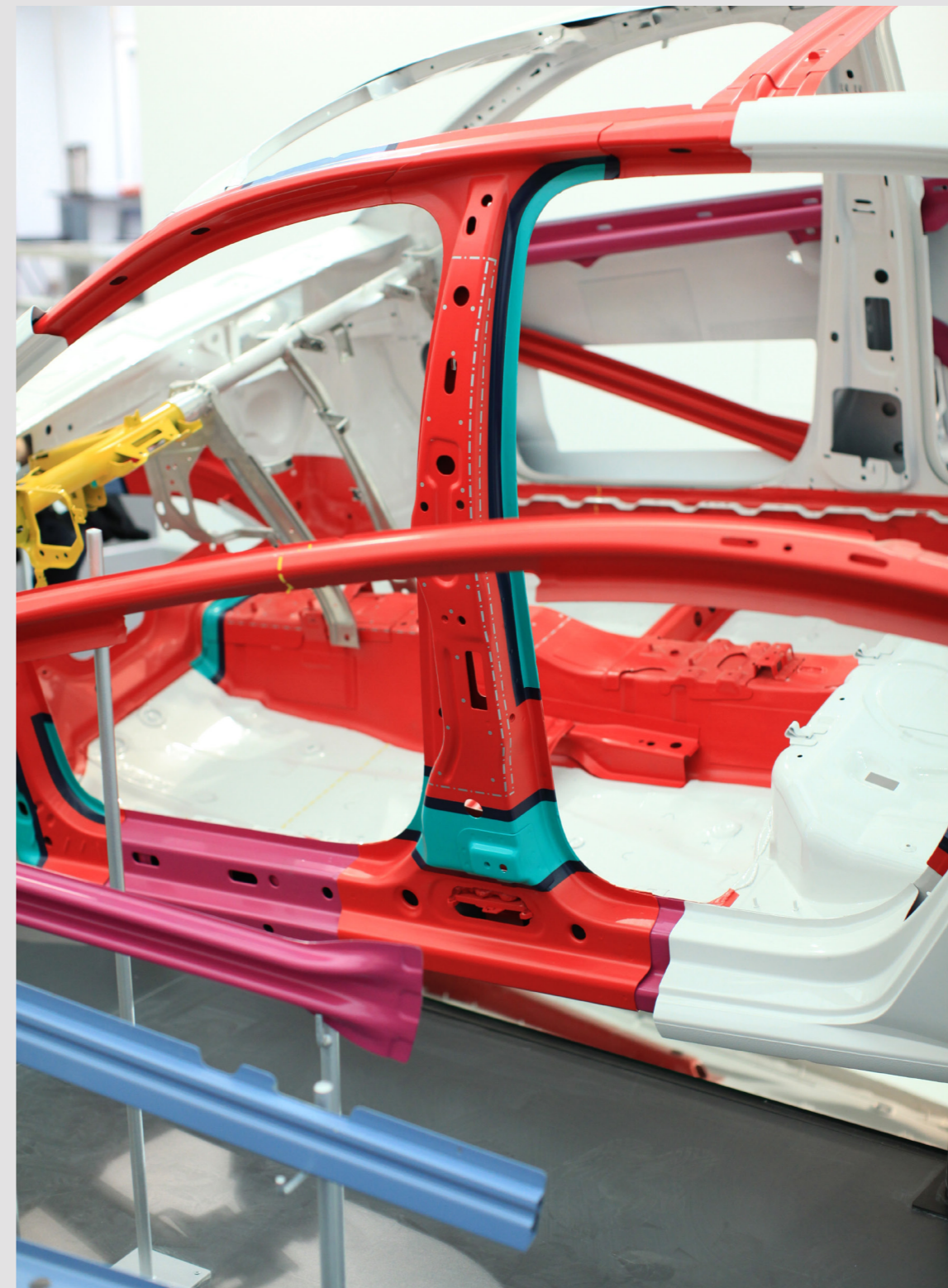
TMP is a specific hot stamping process in which various levels of hardness can be obtained in different areas of the same part, by controlling the different cooling temperatures during the hardening process.

As TMP technology creates soft deformable areas, it allows us to develop new products that offer improved crashworthiness and, especially, to control the deformation of the car’s structure better than with other products. This process also enables a weight reduction of up to 20% to be achieved when compared to other products made with traditional processes.

Hot stamping using the TMP design process is changing the car body architecture.

“Gestamp is one of our key suppliers in terms of reducing the weight of our vehicles by using hot stamping technology”.

*Dr. Mlekusch  
Head of Audi’s Technology Development  
Department*



Leading position in the market

Manufacturers are increasingly collaborating with suppliers to design car models based on common platforms. In turn, the latter try to consolidate their supplier base by giving increasing attention to international suppliers that are technically and financially strong and able to produce compatible, high quality at competitive prices. As a result, we large suppliers, with our multiple technologies and high quality, are better able to acquire orders and continue to grow.

We believe that, overall, we are the leading supplier of body and chassis products thanks to our combined revenues in 2011, compared to the combined revenues of our two closest competitors for these products during this same year. In mechanism products, we believe we are clearly the market leaders among suppliers in Western and Eastern Europe and South America, with regional market shares estimated at approximately 50% and 40%, respectively, for revenues in 2011.

Our technological and R&D capabilities, our global manufacturing and business approach, our operational efficiency and quality, and our financial stability track record enable us to be one of the few suppliers that can provide support to a manufacturer throughout a product's entire life cycle.

In short, ensuring strategic relations with automobile manufacturers helps us to develop a competitive advantage over our competitors.

Quality

The quality of our products and processes is critical to consolidate our position in the automotive sector over the long term. In an industry known for the high quality of its products, it is essential to have a quality management policy and systems that support daily operations and show our customers that we carry out consistent, ongoing efforts to maintain and improve product and service quality as we seek to meet and exceed their needs and expectations.

The ISO/TS 16949 Standard provides specific requirements for the application of the ISO 9001 Standard to mass production and original spare parts in the automotive industry. The certification of our management systems based on this standard is a compulsory requirement for all suppliers that supply directly to manufacturers.



Managing our suppliers

Supplier management is very important in the automobile sector. Just as automobile manufacturers are concerned that their suppliers are reliable in terms of quality and delivery, we must do the same. The quality of materials and components supplied by our suppliers has an influence on the quality of the final product we deliver to our customers.

During 2012, there were 26,706 registered suppliers in total, of which 61% were awarded a purchase contract.

All products manufactured by the Gestamp Group meet the technical and safety specifications required by our customers. We comply with all safety regulations required for the automotive industry and with specific regulations in each country. All companies follow quality control processes as they all have ISO/TS 16949 certification. Newly established companies are granted one year to be certified in accordance with this standard. We also require our raw materials and components suppliers to comply with the ISO/TS 16949 Standard or, failing that, with the ISO 9001 Standard.

Due to characteristics of the industry and the way the Group operates, contact with customers and suppliers is continuous and free-flowing. Our facilities are audited by our customers on a regular basis, which ensures that control of our products' safety and quality is constant and effective.

Suppliers	2012	2011
Total number of suppliers	26,706	22,442
Total number of suppliers with purchase contracts awarded	20,951	17,647

We classify suppliers by the type of product or service offered. This gives us five types of suppliers: raw materials, components, machinery, tooling and general supplies.

Suppliers by product type					
Year	Raw material	Components	Machinery	Tooling	General supplies
2012	510	2,682	8,422	1,349	7,988
2011	388	2,311	7,079	1,074	6,795

Most suppliers are in the machinery and general supplies categories. However, by turnover, the largest suppliers are related to raw materials which resulted in 2,602 million euros in 2012, compared to 2,364 million euros in 2011. These raw materials are mostly steel and represent approximately 70% of our purchases.

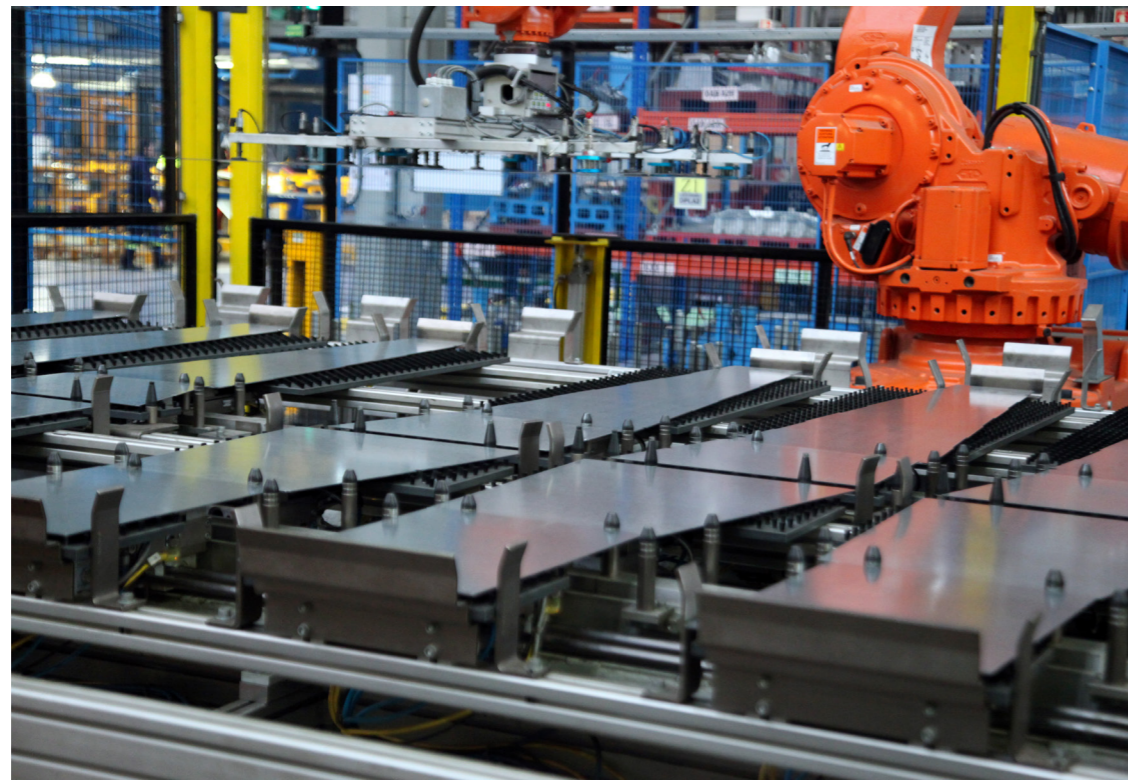
Components and raw materials come from different sources, although most of the purchases we make are from local suppliers, thereby promoting the economic development of the communities where we operate. We use the JIT ("Just in Time") production system, which allows us to meet our customers' requirements for quick deliveries while at the same time we reduce our needs for storage and inventories.

Since Group companies have quality and environment policies and certificates that require strict monitoring of their suppliers' conditions, Gestamp has designed a common system for evaluating supplier quality for all of its manufacturing facilities.

Specifically, all suppliers of raw materials or components must have ISO TS 16949 or ISO 9001 certification and ISO 14001 certification is positively regarded.

In the event that a supplier does not have the compulsory certifications, time is given to obtain them and an action plan is required.

The "Involvement with Society" chapter explains the quality control we carry out on our suppliers in greater detail.



## 2012 FINANCIAL RESULTS

Despite the negative economic climate, global light vehicle sales rose 5% in 2012, reaching 79.4 million units. In line with the trend of recent years, growth is concentrated in emerging markets, with a further decline in Western Europe partially offset by the recovery in North America and in Japan after the tsunami disaster in 2011.

In this context, Gestamp Group's consolidated turnover grew 21% over the previous year, reaching 5,757 million euros. Despite the poor performance of the Western European market, the growing importance of our sales in North America, Asia and Russia, together with the consolidation of 100% of the scope of companies bought from the Thyssen Group in July 2011, has allowed us to increase our turnover by 1,000 million euros in 2012.

However, irrespective of the significant growth achieved, for Gestamp this fiscal year has resulted in great progress to achieve its long-term strategic objectives. Furthermore, the successful start-up of four new plants in China, India, Brazil and Turkey – which allows us to consolidate our presence in the fastest growing countries – and, in addition, our continuing investments in developing new technologies and products, which have been key to attracting numerous orders in business areas such as hot stamping or chassis components, which ensures a high growth potential for us in coming years. Also in 2012, we focused our efforts on consolidating the Group's new organisational structure adopted the previous year after the acquisition of the Thyssen Group companies.

Despite the lower earnings in Western Europe and the costs associated to investment processes and start-up of new plants, our group has been able to generate an EBITDA of 620 million euros – up from the 547 million euros obtained the previous year – and an EBIT of 340 million euros.

Due to strong investment efforts during the fiscal year – 591 million euros – our net financial debt has increased in 184 million euros, maintaining a net financial debt ratio in line with our strategic objectives.

In order to extend our debt maturities, the Group has reached important agreements with various financial institutions, including the FSF (Forward Start Facility) for 389 million euros, signed last December.

For fiscal year 2013, forecasts on global vehicle production point to an overall growth of around 2.5%. Although the global macroeconomic outlook seems more favourable than in the previous year, estimates are for a further drop in demand in Western Europe and a slowdown in Japan, after the reaction to the 2011 tsunami. The good results expected in the American market and the rest of the Asian countries will enable another year of growth worldwide.

Gestamp plans to open four new plants during this year, three in China, and to continue with the strong investment process of the previous year. It is expected that the turnover forecast for 2013 will be one of continued growth as many of the new projects being executed will

commence at the end of the year or in 2014.

Finally, the important agreement reached in early 2013 with the Japanese group Mitsui should be mentioned. Subject to the required authorisations, this group will take a 30% stake in the capital of Gestamp's subsidiaries in the Americas via a capital increase. This transaction will enable not only the future growth of our operations in America, but it will also facilitate the development of new trade agreements

between Gestamp and Japanese OEM's worldwide.

## MAIN ECONOMIC INDICATORS

The performance of the main economic indicators for the 2007-2012 period is shown below:

### EBITDA (in thousands of euros)

2007	2008	2009	2010	2011	2012
275,011	269,630	223,236	390,026	547,419	620,073

### Profit before tax (in thousands of euros)

2007	2008	2009	2010	2011	2012
81,692	41,314	26,112	146,089	230,003	262,568

### Net profit (in thousands of euros)

2007	2008	2009	2010	2011	2012
70,631	47,480	28,114	113,082	172,614	186,134

## Financial value generated, distributed and retained

Financial value generated (in thousands of euros)	2011	2012
Net business figure	4,774,622	5,757,314
Others	139,198	114,832
<b>TOTAL</b>	<b>4,913,820</b>	<b>5,872,146</b>

Financial value distributed (in thousands of euros)	2011	2012
Expenditures, suppliers	3,165,268	3,635,257
Expenditures, personnel	733,879	989,572
Financing costs	788,798	1,000,742
Payments to government entities (taxes and fees)	57,389	76,434
<b>TOTAL</b>	<b>4,745,334</b>	<b>5,702,005</b>

	2011	2012
<b>Financial value retained (Financial value generated minus the financial value distributed, in thousands of euros)</b>	<b>168,486</b>	<b>170,141</b>

Data obtained from the consolidated financial statements as of 31 December 2012.

## RISK MANAGEMENT

One of the most important aspects in an organisation is identifying any potential events that may affect it, managing its risks within “acceptable risk” and providing reasonable assurance on how to achieve its objectives.

To manage risk, Gestamp Group in general uses the review of business plans, the study of the relationship between exposure and the current value of cash flows resulting from an investment, as well as the accountancy perspective, which allows the status and evolution of the different risk situations to be assessed.

The Group considers the most relevant risks as those relating to:

- Financial risks: associated with fluctuations in the financial markets. The main risks to which the Group’s activities are exposed are:
  - Market risk, materialised in:
    - The risk of fluctuations in exchange rates for which management uses certain financial instruments such as buying/selling currencies.
    - The risk of interest rate fluctuations that may affect borrowing at variable interest rates. The use of instruments such as swap contracts mitigates this risk.
  - Liquidity risk: the inability to meet its commitments. The organisation has a

policy to maintain sufficient assets at hand to meet short-terms needs for cash.

- Credit risk, concentrated on receivables. Each business unit manages this risk under the policy, procedures and oversight established in relation to managing these risks.
- Risk related to raw material prices. 65% of the steel is bought through “re-sale” programmes with customers through which the customer negotiates the price of the steel. This negotiated price is directly included in the selling price to the customer. The remaining steel purchases are made by the group. In these cases, we negotiate the transfer of the impact of variations in the price of steel with our customers.

- Business risk: derived from a possible fall in sales in the automobile sector as a result of the current global economic crisis.
- Risk related to the health and safety of employees: aware that this issue is relevant to the group, there is a very demanding and strict health and safety policy that applies to all companies irrespective of their geographical location.
- Risks related to climate change: we have identified the existence of the regulatory risks that may involve tighter regulations in areas such as emissions reduction. Group policy is to implement an environmental management system -ISO 14001 or EMAS- and invest in new technology products associated with reductions in CO2.



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## 02

## COMMITMENT TO PEOPLE

“Talent, motivation and the ability to work in teams are essential assets for the success of Gestamp”

*Excerpt from Corporate Principles,  
Gestamp Group Code of Conduct.*

At Gestamp, we know that the people who work for the group are an important asset to the development and success of our business.

Our growth policy by purchasing major companies, constructing new manufacturing facilities and developing strategic areas such as R & D or quality, has led to an increase in our human resources, reaching 28,566 employees on the 31 December 2012.

This evolution has led to an increase of almost 13% in 2012 compared to 2011, and of 116% over the last 3 years, as shown in the graph. This growth entails important challenges in human resources management, as we need to be able to combine the management autonomy of each of the Group companies, respect for local culture and idiosyncrasies, compliance with each country's legislation and the integration of our corporate culture.

In this sense, our corporate culture provides the framework within which the level of requirements common to the management of each of the Group companies can be situated, thus proving to be a guarantor of a certain management style.

Through its Corporate Principles and its subsequent detailing and implementation in the Code of Conduct, this framework establishes the variables in the management of human resources aimed at achieving quality employment:

- Caring for Health and Safety
- Selection policies
- Promotion of ongoing training and career development
- Equal opportunities
- Conciliation of professional and personal life
- Disability
- Employee relations
- Communication and participation
- Social benefits

Given the importance that the Group confers to Health and Safety, this issue is addressed in a specific section.

## GENERAL EMPLOYMENT DATA

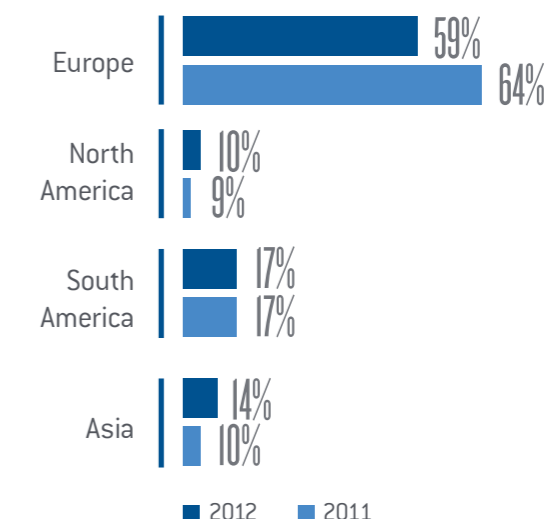
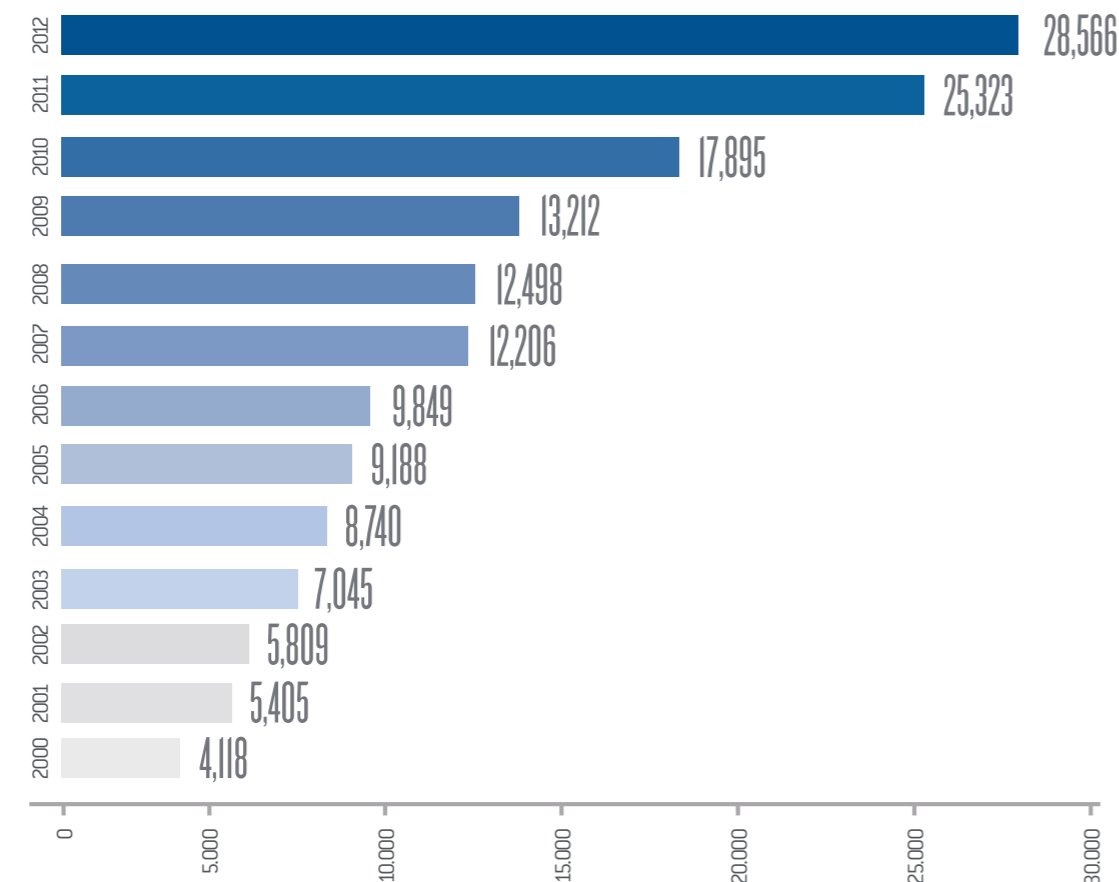
This chapter specifies the scope of information of the manufacturing and services facilities where the group controls the management.

### Distribution of employees by geographic area

With regard to the distribution of our workforce, 59% is concentrated in Europe, while the rest is distributed in North America (10%), South America (17%) and Asia (14%).

Compared to 2011, we can see the strong increase in the workforce in Asia, with a growth of 60%.

### Changes in personnel



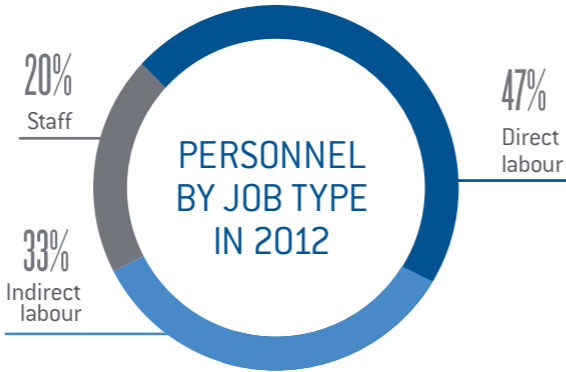
Distribution of employees by job type

Regarding job type, the following broad professional categories have been defined:

- Direct labour: manufacturing facility employees directly involved in the production of parts
- Indirect labour: manufacturing facility employees, whose job is to give direct support to the production process, assuring thereby that the process is not interrupted.

- Staff: all office workers in manufacturing facilities service centres.

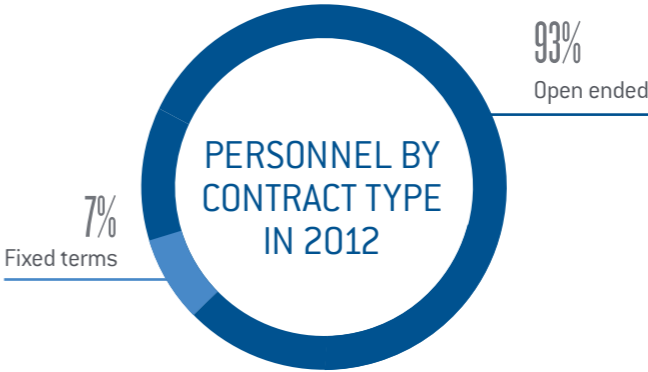
Thus, as of 31 December 2012, 47% of the Group's employees falls under the category of direct labour, 33% under the category of indirect labour and the nearly 20% remaining are staff.



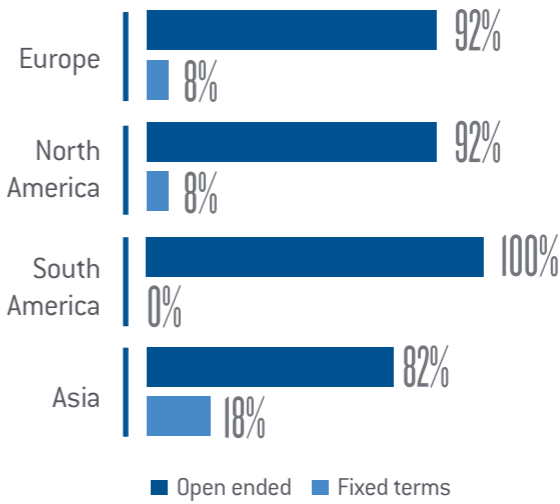
Distribution of personnel by contract type

Our recruitment policies maintain a clear commitment with regard to employment stability. Proof of this is that 93% of contracts

are open ended versus 7% fixed term contracts, the same values as last year.



Personnel by contract type and broken down by geographical area



Distribution of workforce by age groups and gender

Gestamp Group is known for its young employee profile, with 57% of both its male and female personnel in the 26-to-45-year-old group.

Age	2012			2011*		
	Female	Male	Total	Female	Male	Total
< 25	2.2%	13.3%	15.5%	1.5%	11.6%	13.1%
26-35	6.5%	24.4%	30.9%	4.9%	25.3%	30.2%
36-45	5.2%	22.5%	27.7%	4.6%	24.5%	29.1%
46-55	3.1%	15.7%	18.8%	3.0%	16.5%	19.5%
56-65	0.9%	5.9%	6.8%	0.8%	7.1%	7.9%
> 65	0.0%	0.1%	0.1%	0.0%	0.2%	0.2%
TOTAL	18.0%	82.0%		14.8%	85.2%	

\*This does not include data from the Gestamp Santa Isabel.



Distribution of personnel by hires and those leaving rate, broken down by age and gender

The following tables reflect hires and those leaving, broken down by gender and age group, where “hires” refers to new hires and “terminations” to all contract

terminations, whether due to the contract ending, voluntary terminations, retirements, dismissals or other reasons.

Age range	Female		Male		TOTAL	
	Hires	Terminations	Hires	Terminations	Hires	Terminations
< 25	257	124	2.413	1130	2.670	1.254
26-35	506	259	2.051	1312	2.557	1.571
36-45	245	132	804	660	1.049	792
46-55	74	45	334	285	408	330
56-65	21	38	104	228	125	266
> 65	1	0	7	28	8	28
TOTAL	1.104	598	5.713	3.643	6.817	4.241

SELECTION

At Gestamp, we have established a general framework based on basic criteria related to human resources: those of non-discrimination and respect for human rights, principles that guide our corporate policy on recruitment and selection. Based on these principles, we give each company the autonomy to define processes and procedures.

In addition to this general framework applicable to the entire organisation, 72% of our manufacturing facilities and divisions have specifically developed a policy of non-discrimination based on gender, race or religion that is applied in all recruitment and selection processes.

We establish rigorous selection criteria and objectives that take into consideration exclusively the academic and professional merits of individuals and the needs of the group, giving priority to internal promotion over new hires.

In all cases, we comply with the applicable law in countries where we operate with regard to non-discrimination.

In addition, we encourage local hiring. When we are unable to locate professional profiles in a particular location, we rely on support teams that spend time training local staff.



BEST PRACTICE. RECRUITMENT PROCESSES IN CHINA



Our strong growth in Asia – and, in particular, the construction of new manufacturing facilities in China – has led to a great need for recruitment.

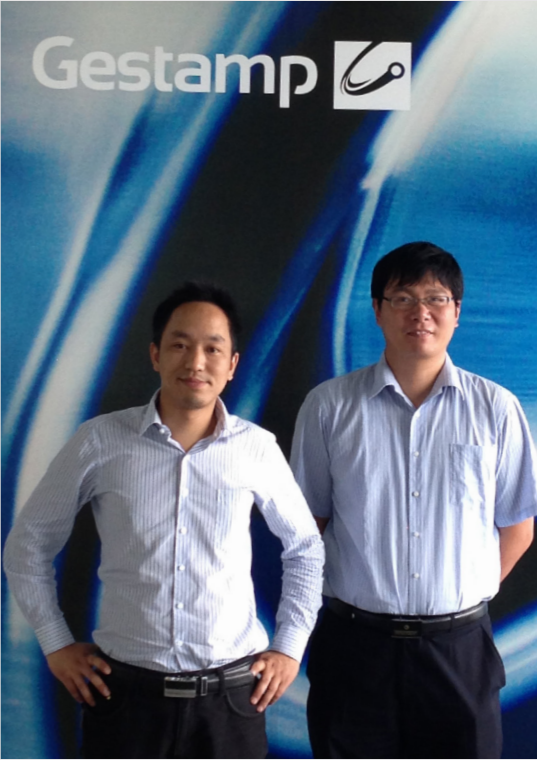
Our Human Resources teams had to implement various selection activities in order to get the best candidates and increase the workforce by nearly 2.5 in a single year. In 2012, the number of employees rose from 996 to 2,311.

The activities carried out include facilitating employee access to information about available job positions and mobilisation through China’s main social networks such as Weibo, Zhaopin and LinkedIn.

One activity that had a great impact among personnel was the launch earlier this year of an innovative system whereby employees could nominate candidates to fill existing vacancies and they receive a bonus should the candidate be hired.

This initiative has improved the value proposition of Gestamp hiring both internally and externally and also achieved effective results at a lower cost and in less time.

The programme was launched through the Gestamp Asia Division in Shanghai and was also followed by plants in Kunshan, Shenyang, Wuhan and Chongqing.



Perry SHAO  
CAD Engineer  
Michael XIE  
Advanced Quality Engineer

Asia Division employees eligible to participate in the programme had to be open ended contract employees, and the job positions for which candidates could be suggested also had to be full-time open ended contract positions to which the candidates had not had prior access via another source of hiring.

The only employees excluded from the programme – and who therefore had no access to the bonus – were management teams and Human Resources.

For each candidate nominated and hired in accordance with the programme’s rules, the employee received a bonus of RMB 5,000 (equivalent to €633) if the position required professional and managerial capabilities – such as engineers – or RMB 2,000 (equivalent to €253) if the position did not require special capabilities.

The bonus could only be received once, because the idea was to get as many employees as possible to take part.

Thanks to this programme, new employees have been hired in the plants and even at Gestamp Asia’s headquarters.

In general, with all these measures, Asia Division HR Managers are satisfied not only by the results of recruitment – with a growth of 132% – but with the speed, cost savings and motivation of the employees themselves to feel like they are part of the organisation’s growth.



Amanda YIN  
Sr. HR Generalist

Sally WANG  
Assistant to CEO

ONGOING TRAINING  
AND CAREER DEVELOPMENT

An important aspect of our employees’ professional development is training. For a group as global and fast-growing as Gestamp, training is an indispensable tool to integrate the essential aspects of its corporate culture, guaranteeing the professional development of its employees, improving processes and guaranteeing innovation.

Just as in the recruitment and selection processes, non-discrimination and respect for human rights are the basis for the promotion of training and career development. Assuming these key principles, each company develops activities and programmes tailored to its needs.

We promote the development of our professionals, ensuring that they have the knowledge and skills required to contribute to the company’s success.

In terms of training, in 2012 we invested 6,969,662 euros, for a total of 16,130 courses and 576,244 hours of training.

Thus, the ratio of training hours per employee per year is 20.6 hours, an increase of 4 hours compared to last year.

	2012	2011
Training hours per employee	20,6	16,0

In the “Involvement with Society” chapter, we further detail another type of education and training we do in the group and in the local communities where we operate.

EQUAL OPPORTUNITIES

Although some of the laws of the countries where we operate do not make it compulsory to implement a specific equality plan, we determined the need to act in accordance with the corporate principles of equal opportunities, non-discrimination based on race, religion, sex, age, nationality, sexual orientation, gender identity, marital status or disability outlined in our Code of Conduct.

Our kind of business activity puts constraints on the presence of women in Gestamp. In certain professions common to our industry, such as die makers, welders, or maintenance technicians, among others, there is a very little presence of women. For this reason, there is a clear imbalance in the selection process for certain positions, and to increase the presence of women in the group we must apply positive discrimination measures.

42% of our companies have implemented an equality plan aimed at achieving equal treatment and equal opportunities for men and women.

Likewise, in 2012 we have not had any complaints filed regarding discrimination in the group.

The presence of women in our company is 18% compared to 15% in 2011, as can be seen in the table of “Distribution of personnel by age and gender” (p. 60).

There has been an increase in all geographic areas, especially in Asia and North America,

where levels of around 25% have been reached.

The representation of women in senior management positions in our businesses amounts to 13%.

Below is gender-related data broken down by geographic area:

	Europe		North America		South America		Asia	
	2012	2011	2012	2011	2012	2011*	2012	2011
Female	16%	15%	27%	18%	14%	11%	25%	16%
Male	84%	85%	73%	82%	86%	89%	75%	84%

\*Does not included data from the Gestamp Santa Isabel.

CONCILIATION OF PROFESSIONAL AND PERSONAL LIFE

At our manufacturing facilities, we have to supply parts to customers continuously so their assembly lines do not stop. Sometimes we do it “Just in Time”, i.e. the parts are manufactured just a few hours before being assembled and are supplied to the customer with little or no stock at their facilities.

Consequently, we must maintain our activity continuously, sometimes for 24 hours a day, and so certain groups, generally those classified as “Direct” and “Indirect”, have to

work shifts. This form of organising the work does not prevent us from encouraging shift rotation in order to make it easier to adjust working hours to the specific needs of workers.

However in most of our businesses, actions related to reconciling work and family life are carried out where possible, such as: flexible hours, intense working day, shorter working day or adjustments to working hours in certain family circumstances.

DISABILITY

Aware of the requirement to incorporate people with disabilities into our workforce or, if appropriate, seek alternative measures, our principle of “non-discrimination” encourages Group companies to carry out and promote initiatives to this end.

Thus, the percentage of employees with disabilities as of 31 December 2012 was 1.8%. In addition, 44% of companies have turned to alternative measures, usually through the purchase of goods or services from special employment centres where people with disabilities work. Last year, the expenses associated with these purchases was €637,306.

RELATIONSHIP WITH EMPLOYEES

We strive to work with unions and other bodies that our employees collectively choose to represent them within the relevant legal framework”. *Extract of Gestamp´s Code of Conduct.*

We manage relations with our employees at the division or manufacturing facility level. As a general rule, each has its own collective bargaining agreement. This policy allows us to benefit from a number of advantages:

- collective agreements are tailored to the circumstances and needs of each facility;
- collective agreements can be adapted to the economic performance and productivity of each facility;
- workers identify better with their own “manufacturing facility workers’ committee”.



In this regard, 92% of employees have a legal framework supporting freedom of association and the right to collective bargaining. So, for the remaining 8%, the Group establishes the communication channels needed to prevent abusive practices.

Along the same line of protection, in countries where the labour law is more ambiguous, the Group undertakes to clarify and define in the contracts, all the basic aspects that guarantee workers' rights.

A total of 68% of employees are covered by collective agreements.

In addition, we try to build open relationships based on trust with regional or national union representatives to facilitate two-way communication and provide them with relevant information, as well as to understand their actual worries and concerns.

In all cases, we comply with the applicable law in all countries where we operate with regard to consultation and participation.

Our companies have formal channels to ensure there is communication between the company and employees on issues they consider relevant.

The most common communication channels are:

- Corporate intranet
- Internal newsletter
- Satisfaction and working environment survey

- Suggestion box
- Reporting complaints channel
- Informative posters
- Newsletter

There are other channels through which both the company and the worker express their interests and expectations, as well as activities aimed not only at workers but also for their families such as: family day, open day, recreational or sports activities, etc.

SOCIAL BENEFITS

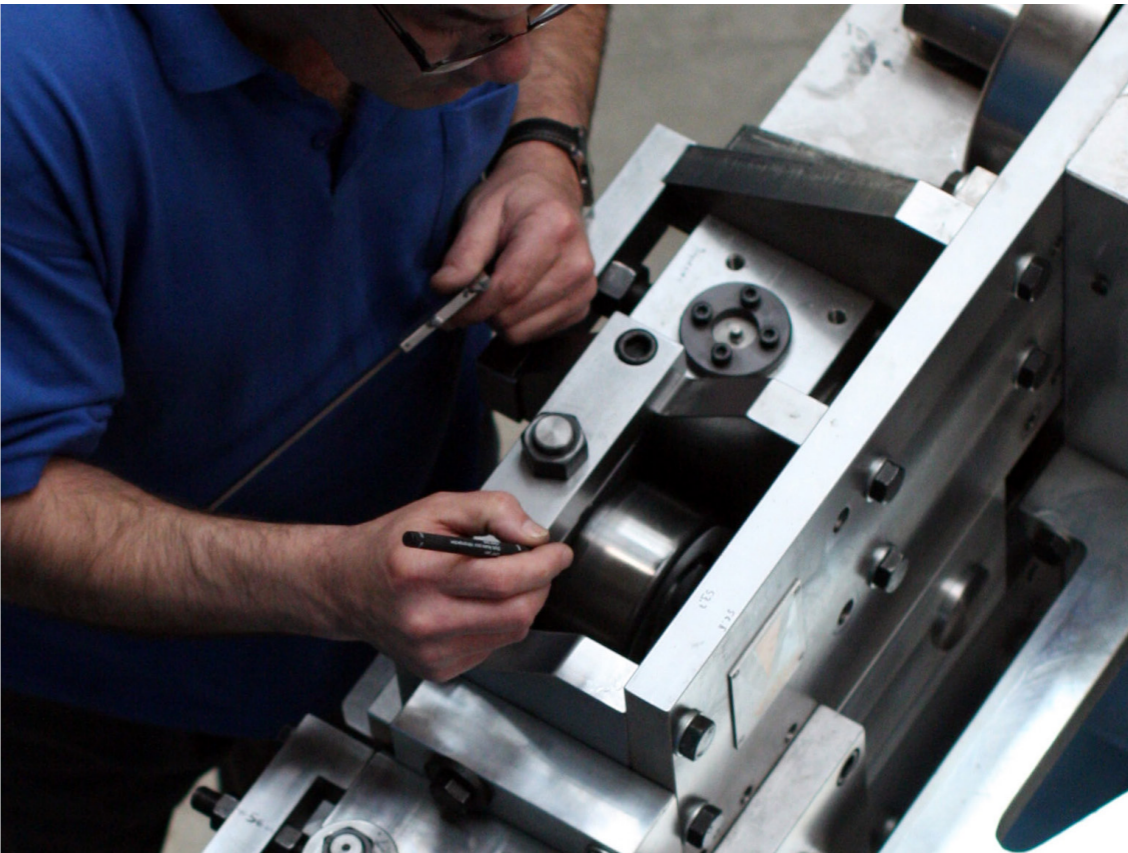
One aspect valued by our employees is social benefits that companies offer as incentives. We understand "social benefit" to be voluntary benefits granted to employees beyond those required by legislation or collective agreements.

The following table shows the percentage of companies offering different benefits to their employees. Each company decides on their social benefits in terms of the agreements adopted, the budget or the type of workforce, among other factors. These benefits are usually offered in countries where there is little social cover in some area in order to improve the situation.

In general, life insurance, health insurance and food allowances make up the majority of the social benefits offered by the companies.

Percentage of companies offering benefits to employees

Medical insurance	68%
Life and/or accident insurance	64%
Food allowance	56%
Nursery and/or school allowances	43%
Pension / retirement plan	24%



## STRATEGIC PLAN

During the year 2012, from the Human Resources area we promote an ambitious project, entitled “Strategic HR Model Design”.

The project was primarily aimed at analysing the Human Resource functions at the plants and comparing the HR functions that we want to promote globally.

Thanks to this study, we have been able to identify the Human Resources management framework at divisional, regional and plant levels. It has also allowed us to obtain a more comprehensive view of HR functions, ranging from strategy, organisation, processes and governance models.

The study had four areas of analysis: operational, technological, management and organisational, and included the following HR processes: Selection, Reception, Training, Development, Remuneration, Employee Information Management, Payroll Management, Organisation and positions.

The scope of the study covered:

- The 7 divisions (Asia, Edscha, North America-Nafta, Mercosur Brazil, Mercosur-Argentina, Northern Europe, Southern Europe)
- 19 Countries
- 79 plants
- 54 questionnaires
- 23,753 employees

Among the conclusions reached we can highlight that the selection, reception and training processes are more developed at the operational level, and that we must improve with regard to the remuneration, organisational and development processes. Another area we analysed was management, and is considered to be the area where the most improvements are required and where key indicators must be established in order to better monitor actions undertaken in the short, medium and long term.

This detailed knowledge of the various Human Resource functions at our plants and of the good practices identified, is serving as a basis on which we can build a common strategic model.

This strategic model involves the design and implementation of comprehensive SAP-supported technology in which we want to standardise our Human Resource functions, centralise employee information and establish key monitoring indicators.

In general, we seek to create a tool with which we will gradually integrate transformative processes in Human Resources in line with the Group's strategy for corporate social responsibility and sustainability.

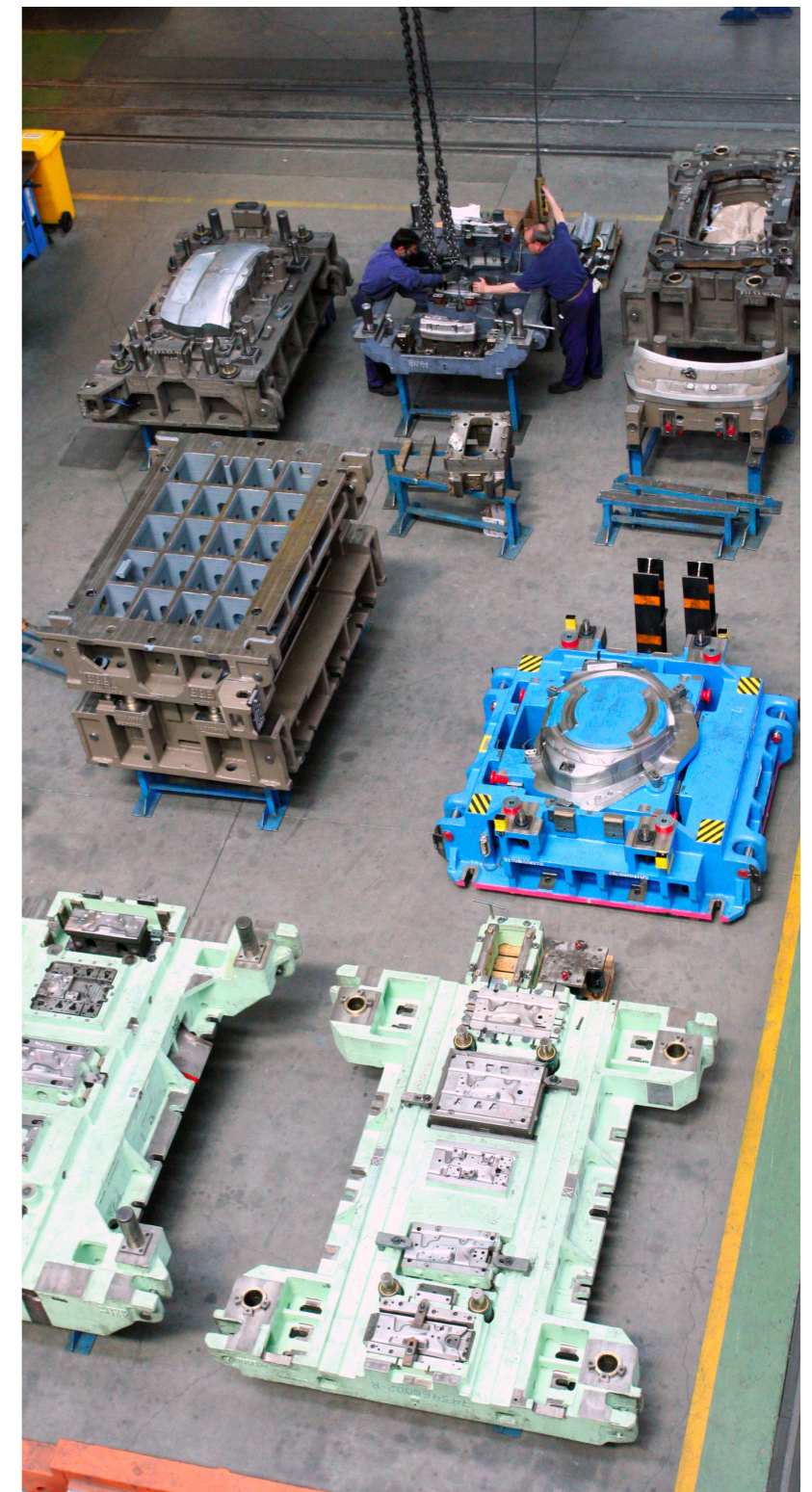
## GESTAMP AND THE ECONOMIC CRISIS

An opportunity to reorganise our workforce resources.

During the global economic crisis, we proactively manage the needs of our employees while we strive to find constructive measures to manage and retain experienced professionals. Given the global nature of our business and our operations, the measures implemented required a thorough analysis of the legal framework of each jurisdiction where we operated.

Our extensive global presence has also served as a tool to combat the impact of the international economic crisis, allowing us to increase geographical mobility and offering us the possibility to temporarily balance our resources in different regions, supporting strategic projects with our most competent and experienced workers.

In places where opportunities came up and where possible, we moved personnel who were being underutilised in one area of our business to other areas that were experiencing growing needs for personnel, for example in new projects in Argentina, Brazil, USA, Russia and India. As a result, we have been able to take advantage of the know-how of our experienced professionals to ensure that new plants are well supervised by qualified personnel, which met quality standards, yet still retaining key resources.





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## 03

# COMMITMENT TO OCCUPATIONAL HEALTH AND SAFETY

“We are committed to providing our employees and those of other companies working on our premises with a safe and healthy work environment.

We believe that health and safety means not only having facilities and equipment in good condition, but also committed people who respect the rules and put safety first”

*Excerpt from Gestamp Group Code of Conduct.*

Our Health and Safety policy is based on the following principles:

Safety must be integrated. Everyone, within the scope of his or her duties, must be committed to

## SAFETY ISSUES

We must be  
**PROACTIVE**

We base our continuous improvement on the analysis of risks, not the analysis of accidents.

## THE SAME FOR ALL

We comply with the law in all countries, but the reference for our facilities is internal and goes beyond the requirements of the law in most cases.

We believe that risks that are significant due to their seriousness, i.e. those that can cause serious accidents, should be avoided or minimised by

## TECHNICAL MEASURES

The definitions of standards and procedures, as well as

## TRAINING

are very important for controlling risks that we have not been able to prevent.

Goals should be

## REALISTIC AND ACHIEVABLE

We must measure performance in a clear and accurate manner.

We realise that we are in an industry where there is a safety risk for people and, therefore, we believe that the health and safety policy should be an important aspect in the management of the group.

We have nearly 100 manufacturing facilities of various sizes, located in different countries, with very diverse safety laws and cultures and very different levels of performance, since many of them are acquisitions.

This is why the strategy we use and the management tools we rely on when implementing a Health and Safety policy that is ambitious and focused on a real improvement in working conditions, are so fundamental.

## A CUSTOMISED, INNOVATIVE MANAGEMENT SYSTEM

In 2006 we decided to develop and implement our own comprehensive management system, a part of which is a tool we call “GHSI” – “Gestamp Health and Safety Indicator”.

The GHSI is an indicator used to accurately assess a company’s performance in terms of health and safety and which enables more or less detailed information to be obtained based on the needs of the contact person within the organisation.

At its most aggregate level, the GHSI reflects performance with a number from 0 to 100, with 0 being the perfect situation and 100 the worst situation.

This number is a weighted average of three criteria: “Traditional Indicators”, “Working Conditions” and “Safety Management”. Each criterion is, in turn, developed using different factors, in the 2012 version of the GHSI there is a total of 70.

The “Traditional Indicators” criterion is assessed by comparing the results obtained by the facility, in terms of frequency rate, seriousness rate and serious accidents with respect to established reference values.

Among the factors included in the “Working Conditions” criterion are, for example: internal roads, safety conditions for different types of machinery, warehouse conditions, noise levels and workstation ergonomics.

In turn, among the factors included in the “Safety Management” criterion are, among others: management of external businesses, specific training, management of ergonomics, accident investigation, preventive maintenance for machines or working at heights.

All factors are precisely described and any doubts that may arise concerning the interpretation of a particular condition related to a factor are discussed in order to give a joint response, and clarified in a technical guide that details the GHSI.

Each factor and each criterion have different impacts on the final outcome, depending on their importance, and each factor has different levels taken into account when assessed in terms of the degree of compliance.

Every year we work to update the GHSI. We review factors, assessment scales, the influence of each section on the final assessment and the degree of compliance of the various factors in order to include new aspects and we adjust the GHSI to the group’s situation.

It is, in short, a health and safety standard that includes all the group’s particular characteristics and the best solutions. This standard serves as a reference to compare the situation of the various facilities and to obtain a score that defines their performance.

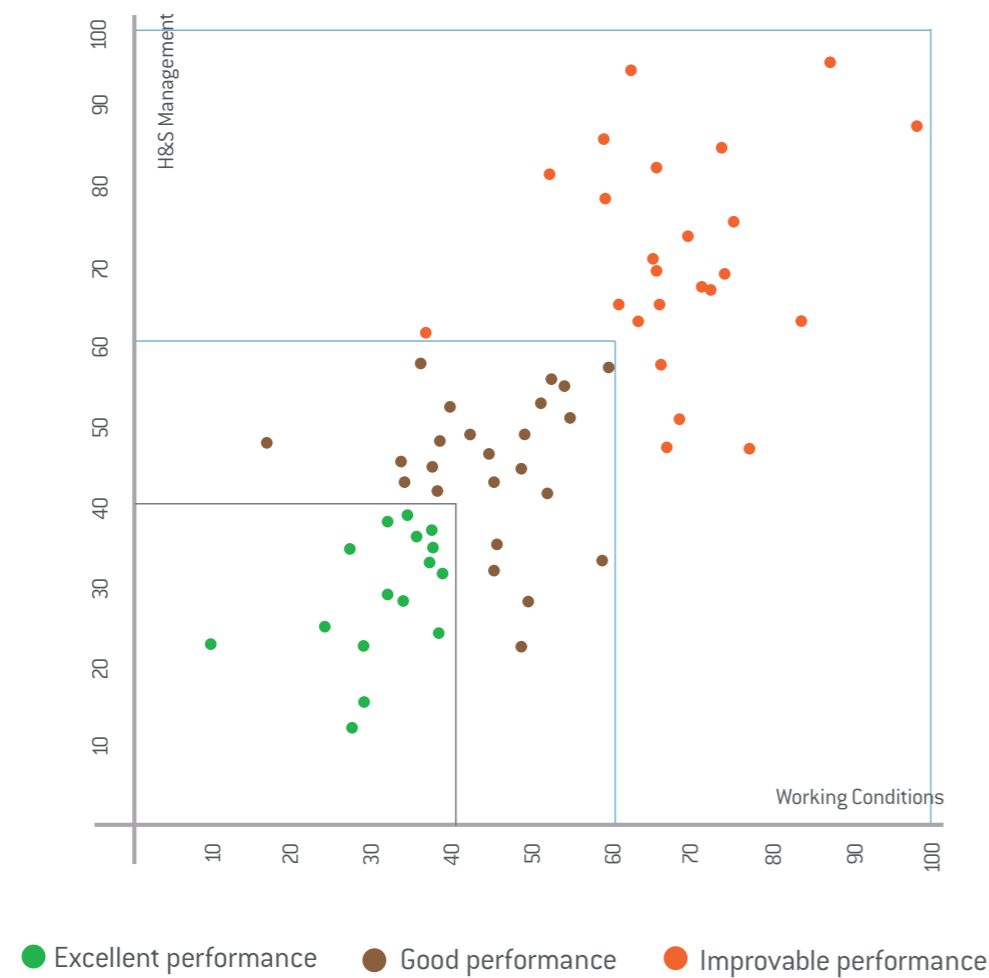
In 2012, 18 new companies joined the GHSI, so by the end of the year there was a total of 66 companies participating in the index.

We show the results in different ways. One of them, the most common in the group, is shown in the graph below.

In 2006 we decided to develop and implement our own comprehensive management system, a part of which is a tool “Gestamp Health and Safety Indicator”.

Every year we work to update the GHSI.

In 2012, 18 new companies joined the GHSI, so by the end of the year there was a total of 66 companies participating in the index.



The performances of the companies in the red zone should be improved substantially; companies in the green zone are performing well and those in the brown zone need to improve their performance.

Companies in the green zone are usually mature companies that have been working on implementing the safety policy for some time and have good working conditions. There are several types of companies in the

red zone: recently created companies that need to improve working condition details and which usually have a poorly developed management system; older companies that perform poorly in safety management as they have not managed to implement an effective management system and/or older companies that must improve their working conditions. All the companies make an annual commitment to improvements in an attempt to reach the (0) position and to improve the most critical matters.

## KEYS FOR IMPLEMENTING AND MAINTAINING THE SYSTEM

Guaranteeing the comparability of results is without a doubt the most important issue. We have an audit system and each improvement presented by a facility must be validated by the auditor assigned to it. The group has 5 auditors that ensure the consistency of criteria across all companies.

Involvement at all levels is important. So, while group management receives a report on the end result (from 0 to 100) of each of the facilities or divisions, and a facility's management must know the status of the most important factors of their facility, a health and safety specialist or an area manager must have very precise knowledge of the scores of the factors that are his or her responsibility.

The consultation and participation of employees, both directly or through their representatives, is essential and is part of the involvement mentioned in the previous section.

### Training

Quite often, risks cannot be eliminated completely and we must resort to controlling them by training people in relation to the risks they are exposed to and the rules they must follow in order to control and prevent accidents.

We therefore believe that training is a key element so that people can assume the duties assigned to them within the framework of the management system and so that they can carry out their tasks safely.

The Group has

**5 AUDITORS**

that ensure the consistency of criteria across all companies.



OUR FIGURES

- 881.4 mil euros invested in training.
- 101,417 hours of training provided.
- 4.3 million euros in investments for improvements related to health and safety, which represents an increase of 8% compared to 2011.
- 9.8 million euros for risk control programmes, as expenses in personal protection equipment, training, assessments, etc., which represents an increase of almost 30% compared to 2011.

OTHER SIGNIFICANT DATA

We have a team of 133 people all the world, that cover all technical specialties and all management areas, to ensure that our Health and Safety Policy is properly implemented, to oversee the functioning of management systems and to promote action plans.

92% of these resources are at the manufacturing facilities and the remaining 8% are at divisions or at the corporation. We concentrate our resources on the manufacturing facilities, as this is where the most important risks are and we believe that direct contact with the processes and the people is necessary.

From the corporation, in addition to promoting the implementation of the policy, action plans and measure the performance of plants, we also offer advice to company technicians and division managers on technical issues. To do this, we have a team of specialists in ergonomics, working conditions and industrial hygiene.

We also develop tools that help technicians manage manufacturing facilities and we encourage contact and the exchange of opinions and information among technical personnel. To do this, we have a specific forum on our intranet, which we call the “Health and Safety and Environment Community Forum”, where we share all the information and exchange experiences.

Furthermore, in addition to the criteria and specifications established at Group level through the GHSI, companies may decide individually to obtain a particular external certification from an organisation based on a recognised standard. Thus, 35% of our plants are certified and/or have external audits such as the OHSAS 18001 (Occupational Health and Safety Standard).

ACCIDENT RATES

Among the traditional indicators, the most representative indicator for us is the Seriousness Rate as it is a compilation of the number of accidents and their seriousness.

We complement the Seriousness Rate with Average Duration to assess whether the results are due to the number of accidents or the seriousness thereof. That is, an increase in the Seriousness Rate may be due to an increased

number of accidents or to an increase in the Average Duration.

The changes in the Seriousness Rate and Average Duration in recent years are shown below. We are presenting the results beginning with 2007 as this is the year in which we implemented our current Health and Safety Policy.

	2007	2008	2009	2010	2011	2012
Seriousness Rate	0.65	0.57	0.35	0.25	0.29	0.22
Average Duration	10.7	11.0	11.0	12.2	14.7	14.0
Fatal Accidents	1	1	0	1	3	1

**Seriousness Rate:** No. of workdays (Mon-Fri) lost per thousand hours worked.

**Average Duration:** No. of workdays (Mon-Fri) lost / No. of accidents resulting in sick leave.

**No. of fatal accidents:** No. of fatal accidents in the Group of company employees or people from outside companies carrying out Gestamp business.

In the table you can see that we have reduced the Seriousness Rate significantly between 2007 and 2010, and Average Duration has remained stable and fairly contained. This is a sign that we have managed to reduce both serious and minor accidents in equal measure.

In 2011, we experienced stagnation in our improvement process due to the longer Average Duration of accidents resulting in sick leave. We improved in the number of accidents

but deteriorated in terms of Average Duration and thus did not improve the Seriousness Rate. This fact is explained by the inclusion in group statistics of data from companies that were recently acquired with medium-high durations.

But what is really a determining factor when considering the year 2011 as a bad year for the Group, are the three fatal accidents that took place in China, Mexico and Spain.

2012 RESULTS

As a result of the poor performance in 2011, the Group’s management decided to launch an Action Plan developed in 2012, which consisted of all companies being required to satisfactorily resolve the factors related to these accidents.

Thus, all companies have had to improve, based on GHSI criteria, the training for crane drivers, the control of outside companies and locking procedures for installations.

Thanks to this action plan, which received a satisfactory degree of compliance, and the involvement at all levels that occurred following the 2011 results, especially due to the 3 fatal accidents, 2012 was a year in which we greatly improved working conditions and progressed very significantly in health and safety. It was definitely the year in which the Group has made its greatest effort to improve health and safety.

	Working Conditions		Safety Management	
	Results 4Q 2012	Improvements* 4Q vs 1Q	Results 4Q 2012	Improvements* 4Q vs 1Q
Europe North	56	10%	55	15%
Europe South	44	9%	45	19%
South America	49	17%	50	17%
North America	45	0%	44	12%
Asia	57	8%	68	10%
Edscha	67	-	80	-
Gestamp	51	9%	52	14%

\* Results do not include companies incorporated into the indicator during the year.

In addition, there was a fatal accident in the Santa Isabel plant in Brazil. This is a new facility, opened in 2012, and it has the highest safety standards.

This accident has made us toughen our requirements and monitoring of equipment suppliers, not merely accepting the Declaration of Conformity as required in the EU. We will establish detailed requirements and check, in some cases with specialists, that the design and dimensioning of the safety features are correct.

Another significant aspect of 2012 was the incorporation of major companies from ThyssenKrupp and Edscha into the GHSI. The results show that there is room for improvement at some of these newly included companies , so one of the challenges for 2013 is to initiate the dynamics for improvement in these companies as well as in others who are in the red area of the chart and whose progress is not satisfactory. To meet this challenge, we set individual targets for each of the companies based on GHSI requirements and each company’s priorities. We will carry out special monitoring of these commitments at the highest level.





### BEST PRACTICE. IMPLEMENTATION OF THE HEALTH AND SAFETY POLICY AT GESTAMP VENDAS NOVAS

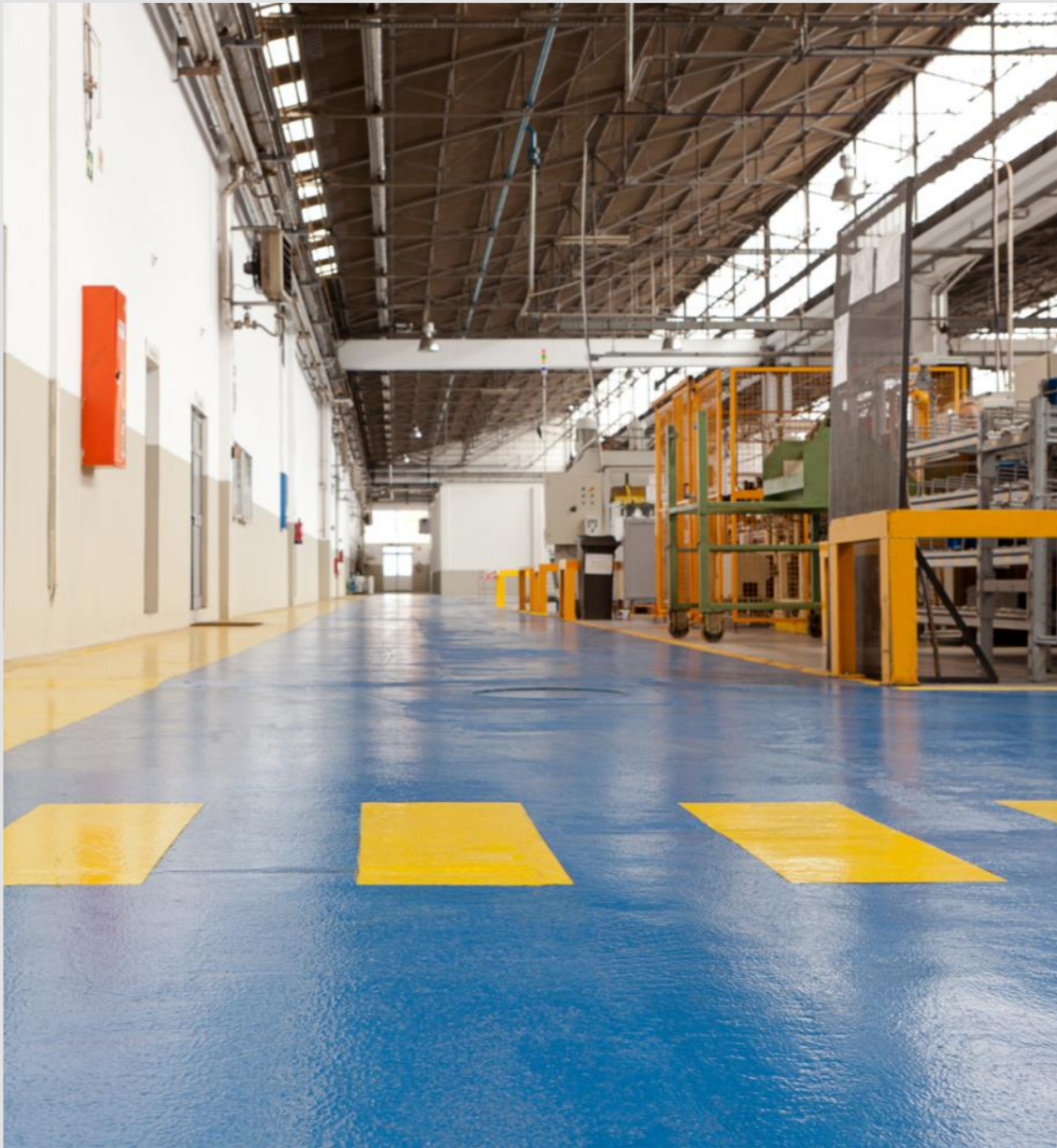
Gestamp Vendas Novas became part of Gestamp in 2010 with the purchase of the German industrial group Edscha. It is located 80 kilometres east of Lisbon in Portugal.

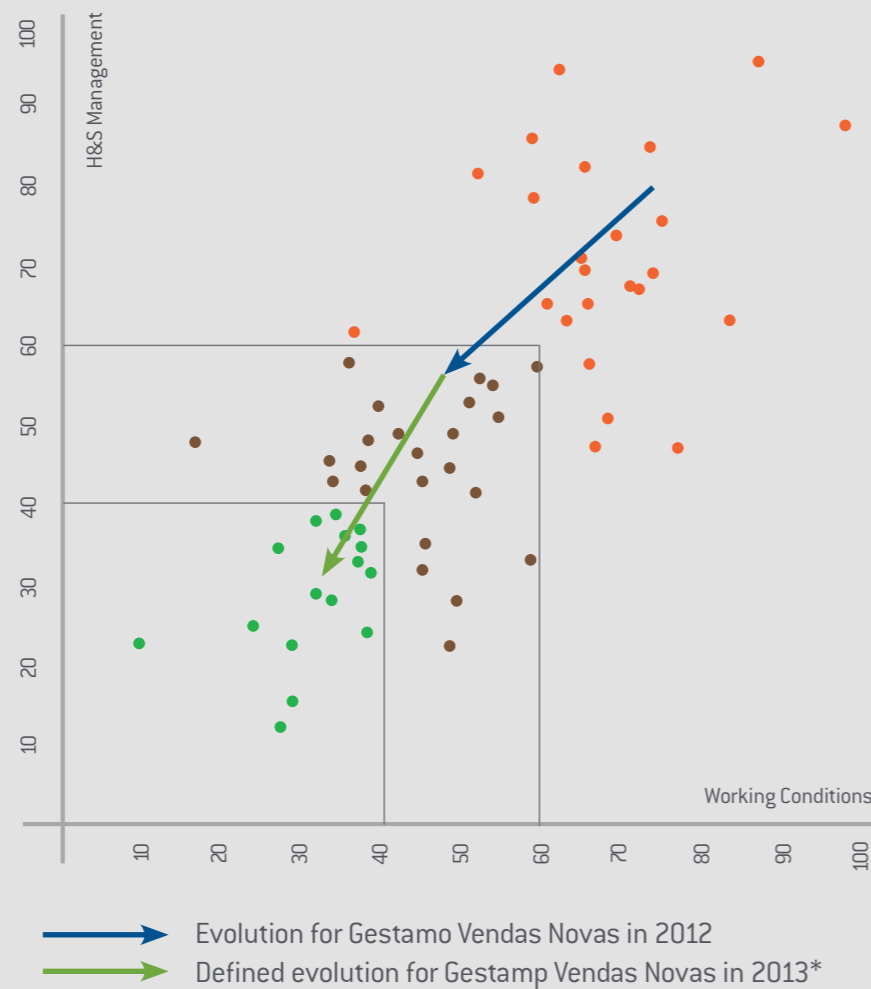
The first audit of the company done in line with the criterion of the Gestamp Health and Safety Indicator was at the end of 2011, and its performance was published for the first time in the first quarter of 2012. The results obtained situated Vendas Novas in the red zone, among the companies with the poorest performance in the entire Group.

After analysing the results, regional management and Vendas Novas management, aware that they needed to improve the plant's working conditions and that they should improve the control of the health and safety risks of their personnel, in addition to the requirements by the Group, they decided to undertake a plan that would position it among the companies with the best performance, that is, in the green area of the chart, within two years.

The first year of this process was 2012, and the objective was partly attained when the company entered the yellow zone, as shown in the chart. The goal for 2013 is to reach the green area. If, in the end, the company does make it, it may end up being the Group company that has achieved the greatest improvement over the shortest period of time.

To achieve this objective what is required are resources, involvement at all levels, support from Division and Group management, a strategy and a work methodology and external expert advice when design the action steps to be carried out.





Evolution of Gestamp Vendas Novas

	2011	2012	2013*
Working Conditions	68	54	37
H&S Management	81	58	31

The clearest benefit for the company with this project is to improve working conditions, avoid major accident risks and improve the

management of health and safety by identifying and controlling certain risks that cannot be prevented with technical measures.

However beyond these tangible benefits, since all company resources were focused on the project, from employees to managers, perhaps the most outstanding benefit is that the project is creating a genuine health and Safety culture. In other words, health and safety issues are being given the appropriate importance with an integrated view at all levels.

The most significant improvements achieved in 2012 were the:

- Complete safety overhauls of an automatic press and a manual press.
- Redefining the lay-out of the entire company in line with GHSI criteria.
- Redefining the safety conditions for storage areas (containers, raw materials and tools)
- Reduction in forklift traffic through the plant (introduction of logistic train) and substituting diesel forklifts with electric ones.
- Improvements and changes to the lighting system in the manufacturing area (increasing lighting levels)
- Definition and implementation of internal and external traffic routes.
- Definition and implementation of various safety procedures and management requirements: forklift driver management, crane driver management, health monitoring, housekeeping, consultation and participation.

“I’ve been working at this plant for 13 years and I’ve never seen it like this. Everything is clean, better organised, there are special transit areas so we can walk safely and people make an effort to follow the rules.”

Maria Joaquina Miguens  
Welding line operator

“At Gestamp Vendas Novas we have always understood and used the GHSI as a guide. We use it to define our Master Action Plan and thus implement Group policy at our plant. It has allowed us to quickly evolve and improve in this area in a sustainable manner, achieving a work environment that is much safer and healthier for everyone.

We find the GHSI to be a useful tool, not only for safety reasons, but also for the overall management of other issues at the plant, such as process flows or layout organisation. Without it and the methodology used for its implementation, the results wouldn’t have been so good.”

José Pinto  
Plant Manager

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# | 04

## CARING FOR THE ENVIRONMENT

“We want to minimise the environmental impact of our activities. To this end, each centre has environmental management systems that ensure compliance with the legislation and the continuous improvement of processes.

We commit ourselves to adapt and to use the best available techniques for our facilities, and to include the environment during their design.”

*Excerpt from the Gestamp Group Code of Conduct.*

## ENVIRONMENTAL MANAGEMENT

Analysing our significant environmental aspects is essential for us to know where we should direct our efforts in environmental matters. As a manufacturer of automobile

components, the impacts we generate must be taken into account throughout the vehicle's design life and not just during the manufacturing stage of our parts:

01

### Vehicle manufacturing stage:

This includes different phases, from obtaining raw materials and energy to the manufacture of the components that make up the vehicle, through processing the components and assembling them, to the transport logistics of the components and of the vehicle itself. Different environmental impacts are generated throughout each of these phases: the reduction of natural resources when raw materials are obtained; energy consumption and emissions generated by manufacturing the components; the generation of wastes and discharges, as well as fuel consumption and, therefore, greenhouse gas emissions, during the transport phase. At this stage, Gestamp seeks to optimise the use of raw materials and improve the efficiency of our production processes and our logistics.

02

### Vehicle use stage:

This is when the greatest environmental impacts are produced, with fuel being the main impact. One of the factors with the greatest influence on this consumption while driving is vehicle weight, since the greater the weight, the greater the consumption and, therefore, the greater the environmental impact. Thus, the weight of the components of a vehicle has an impact on greenhouse gas emissions into the atmosphere. In this sense, we strive to offer our customers lighter products via a commitment to new manufacturing technologies and enhancing our R&D.

03

### End of life stage:

The impact at the end of a vehicle life will depend on the materials which have been used to manufacture its components. In this sense, the possibility of recycling these materials reduces the environmental impact. In our case, as a supplier of metal components, virtually all of our products are 100% recyclable. In fact, given that steel may be recycled using only a part of the energy required to produce it initially, it is among the most-requested secondary raw materials.

We can conclude that our main environmental impacts as a manufacturer of metal components for automobiles are:

- The consumption of raw materials, which indirectly entails a reduction of natural resources and energy in order to obtain and process them.
- The power consumed in our processes, with the resulting direct and indirect generation of greenhouse gases, as well as the generation of wastes and discharges.
- The power consumption, which results in the emission of greenhouse gases, entailed by the transport of the raw materials, products and people who are part of Gestamp.

In order to control and minimise the environmental impact of our business activity, one of the Group's guidelines is to require all our manufacturing facilities to have a certified environmental management system. This guarantees legal compliance and the implementation of processes for monitoring and improving the environmental aspects of each facility.

As of 31 December 2012, 77% of the manufacturing facilities where we have operational control were certified under ISO 14001. Of these, six were also certified by EMAS (EU Eco-Management Regulation and Audit Scheme). Both standards establish the requirement for ongoing improvement and the prevention of pollution, and one of the greatest common goals at our facilities is a reduction in the consumption of energy and raw materials, thereby reducing emissions.

The remaining 14% of our manufacturing facilities are still within the one-year deadline to achieve certification as they have been newly incorporated into the company or recently built. Regarding the remaining 9%, we are making an effort so they can be certified in the short term; in fact, it is expected that 5 facilities will be certified in 2013.

In addition, although each facility has its own environmental policy and sets its own objectives in this regard, the Group sets out the principles that should be common to all of them:

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

Finally, in order to maintain control over the management of certain relevant aspects of our facilities with regard to environmental issues at corporate level, we have established indicators which reflect water consumption and management, raw material consumption, energy consumption, and the generation of both hazardous and non-hazardous wastes. We believe that these are the most representative environmental aspects of our manufacturing processes.

Facilities must submit a quarterly Environmental Indicators Report to the Environmental Management Department, which is in charge of the tasks of monitoring

and assessment. It also sets out the main lines of future work in these areas.

The environmental indicators are:

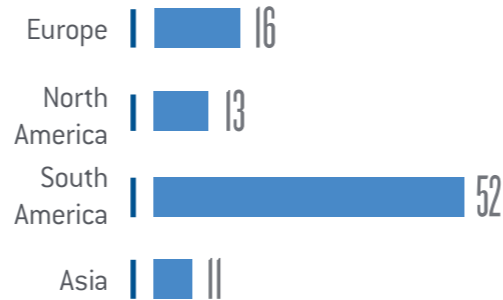
- WPI: Waste Production Index, defined as the production of waste in tonnes per €1,000 of added value.
- WMI: Waste Management Index, defined as the expenditures on waste management for each €10,000 of added value
- EEI: Energy Efficiency Index, defined as the energy consumption in MWh for each €100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

These four indicators allow us to monitor and compare over time the facilities' performance in the two most significant environmental aspects of our manufacturing process: the generation and management of wastes, affected by the WMI and the WPI, and energy consumption which are closely linked to greenhouse gas emissions and which are monitored by the EEI and CO2EI.

The WPI gives us information about the amount of waste generated in the Group. We receive the information by manufacturing facility and waste type, so, in addition to knowing the tonnes generated and comparing the performance of different manufacturing facilities to each other and over time, we have enough information to categorise the major groups of both hazardous and non-

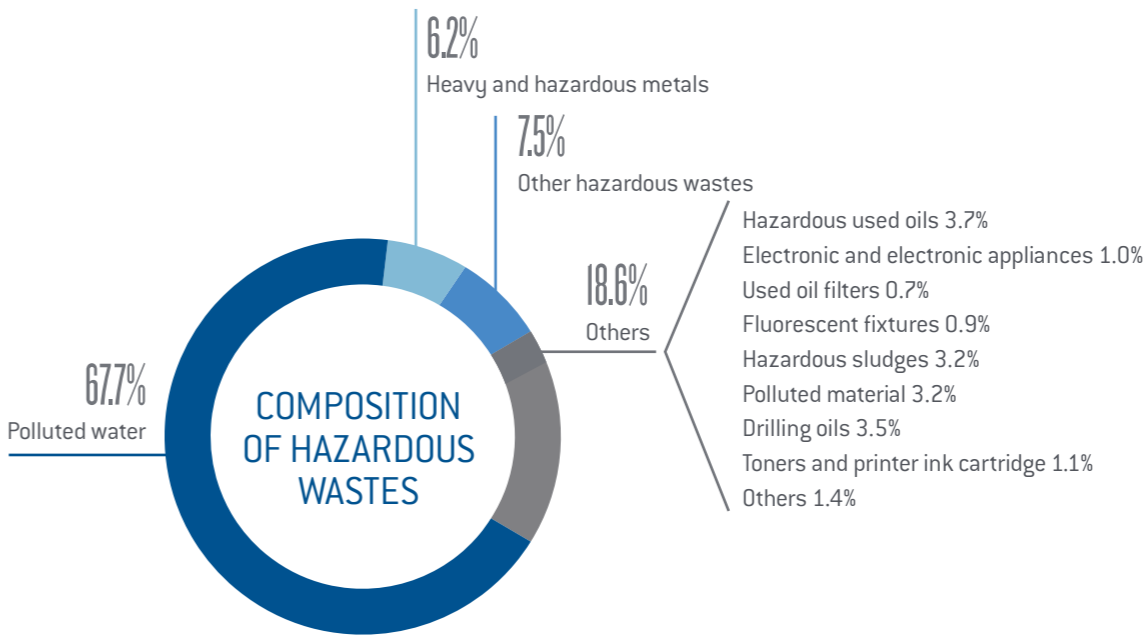
hazardous wastes within the Group and we can propose and advise the facilities on possible action steps for improvement aimed at reducing these wastes (see the charts that reflect the situation of the facilities by continent in 2012).

Waste Production Index



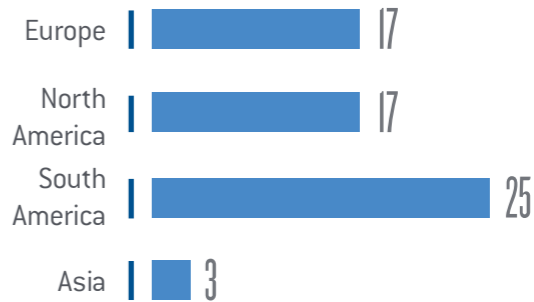
This chart mentions the Mercosur situation, where a problem was detected in the wastewater treatment system at one of the facilities, so the treatment station's operations were stopped and all the polluted water was managed by a waste management provider. This has led to a marked increase in the tonnage of waste generated and the cost of waste management, although a good environmental management of the incident was carried out at all times.

This increase in the amount of polluted water generated represents almost 68% of the weight of the hazardous wastes generated by the Group, as can be seen in the following graph:



The WMI provides information on how facilities manage their waste. It is closely linked with the WPI since it is often true that the greater the amount of waste generated, the greater the cost to manage them. However, because local law or the specific circumstances of a particular facility sometimes allow us to sell a waste and a financial benefit is obtained from this, there may be no relation between the two indices (e.g.: U.S. manufacturing facilities sell contaminated materials [rags and gloves] for manufacturing automobile pedal assemblies). In these cases, although the generation in tonnes is high, the cost of management may be low or even negative in specific cases as financial benefits are received from the management of certain wastes.

Waste Management Index

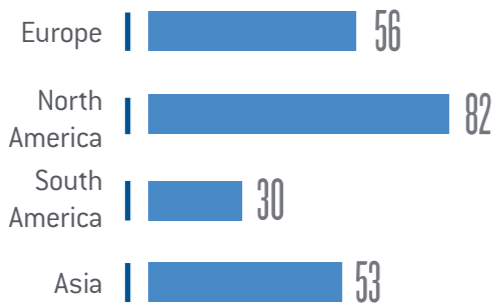


The chart highlights the low cost of waste management in Asia given how easy it is in these countries (e.g. India) to sell most of the waste generated, while in other countries (e.g. in Europe or North America) this situation is not so systematic. It should be noted once again that the high cost of management in Mercosur is due to the volume of waste managed, which,

as explained above, includes polluted water from a facility which was managed as waste when a problem in the water treatment station was detected.

The EEI gives information about the Group's energy expenditure, as it includes the consumption of all energy sources (electricity, natural gas, diesel and LPG). It should be emphasised that, due to the nature of our manufacturing processes, our business activity does not require a lot of energy, compared to other stages in the supply chain of the final product. The cost of energy amounts to about 2% of sales.

Energy Efficiency Index



Although energy consumption is linked to the generation of greenhouse gas emissions, in the Group, the relationship between the EEI and the CO2EI can be distorted by the fact that the most-consumed source of energy is electricity. This is because the electric energy generation mix of the country has a direct influence through the Electric energy Emission Factor (taken from the International Energy Agency) when calculating the emissions

derived from the consumption of electricity. Thus, manufacturing facilities with significant power consumption located in countries with a low electric energy mix because their main source of electric energy is renewable or has very low CO2 emissions, may have low CO2 emissions even with high consumption levels (e.g.: Brazil, Sweden and France).

The measures relating to energy efficiency carried out at the manufacturing facilities are reflected in the EEI which, by including consumption, shows the effectiveness of the internal energy management. We calculate the CO2EI as a complement to the calculation of the carbon footprint that the Group has been carrying out since 2010 but, for the reasons stated above, it is not an indicator that helps us to assess the performance of facilities.

Finally, we have at least one person responsible for the implementation and maintenance of the environmental management system at each of our manufacturing facilities.

It should also be pointed out that we invested 4.5 million euros in improvements and environmental risk control in 2012.

MANAGEMENT OF BASIC MATERIALS CONSUMPTION

One of the major environmental problems facing us today is the consumption of natural resources at an unsustainable pace, which also generates more waste and more pollution.

In line with our commitment to sustainability, we believe it is important to quantify our basic

consumption rates prior to establishing objectives and initiatives to reduce our consumption.

Raw materials and materials used to carry out the business activity

Raw materials and materials such as ferrous metals (steel), non-ferrous metals (aluminium) and chemicals, along with auxiliary materials and water for treatment must be obtained in order to manufacture our components. The consumption of raw materials and other materials is an environmental issue that each manufacturing facility takes into consideration internally while striving to optimise the use of resources. Consequently, each of the facilities controls its own annual consumption.

By weight, 98% of the raw material consumed in the Group is steel, and so efficiency in

our processes is critical to reducing the consumption of raw materials. To do this, we design manufacturing tools and processes so as to make the best use of the steel. Furthermore, we maintain high standards during our manufacturing process which allow us to discard the lowest number of parts possible, thereby reducing the consumption of the material needed. Lastly, one of the most important aspects in the framework of our continuous improvement plans is the reduction in steel consumption.

Other less significant raw materials and other materials are consumed in the business activity such as welding gases, chemicals, paint, binders, oils, welding wire and copper for welding electrodes.

The following tables show the consumption of raw materials:

Steel consumption (tonnes)

Europe	1,516,280
North America	478,545
South America	254,448
Asia	145,680
TOTAL	2,394,953

Other raw material\* consumption by type (tonnes)

Paint	Binder	Oils	Welding wire	Copper welding electrodes	Chemicals	Welding gases
1,752	914	2,050	5,840	402	2,195	12,667

\*Does not include water or steel.

Energy

The direct and indirect consumption of energy in 2012 is as follows:

Direct energy consumption by fuel type (MWh)

	Natural gas	Diesel	LPG
Europe	892,042	11,083	93,648
North America	120,548	471	34,945
South America	22,223	1,492	26,860
Asia	1,833	18,042	8,922
<b>TOTAL</b>	<b>1,036,646</b>	<b>31,088</b>	<b>164,375</b>

Electricity consumption (MWh)

Europe	1,579,095
North America	492,585
South America	228,726
Asia	259,250
<b>TOTAL</b>	<b>2,559,656</b>

Saving and energy efficiency initiatives

Measures aimed at reducing energy consumption are included as part of our manufacturing facilities' environmental objectives. The following initiatives, among others, were carried out in 2012: installation of

high-efficiency lighting technologies, use of hot air produced in welding processes and furnaces, improved insulation in the manufacturing areas or projects for optimising compressed air.

We are currently developing a corporate project to detect improvements in energy efficiency in the manufacturing facilities and to be able to quantify them. We are currently aware of a number of general improvements that are common to all the facilities and that we are gradually implementing as part of the improvement plans. Our idea is to have more information on consumption, both in terms of quality and quantity, in order to find these particular detailed improvements at each facility.

To do this, we will install systems that allow us to monitor consumption at machine and facility levels and process the data, comparing it with data from other facilities or with production volumes.

Water

In general, water consumption at our facilities is for sanitary use.

Only facilities with surface treatment processes consume water for industrial use. In addition, certain machines and welding facilities require a cooling system. In all cases, these are closed circuit systems, so the water is reused for extended periods of time.

As a result, the Group's overall consumption is not high compared to other business activities but, as it is a fundamental natural resource, we monitor its use and management.

Water consumption in 2012 can be seen below:

Water consumption by type (m3)

Water from the public water supply	1,026,590
Water from surface resources	5,940
Water from underground resources	217,883
<b>TOTAL</b>	<b>1,250,413</b>

As can be seen, the water used at our facilities is mainly (82%) from the public water supply. This is because most of our facilities are in industrial areas.

This water is discharged in a controlled manner to the sewage system of the industrial

zone where it will be treated suitably. All wastewater is periodically analysed to ensure that it conforms to the limits of the discharge authorisation. Facilities that use water for industrial purposes have a purification plant where the water is treated prior to being discharged into the sewage system.

BIODIVERSITY

All manufacturing facilities are located in urban and industrial areas. Their impact on biodiversity is low and complies with land use regulations.

CLIMATE CHANGE: EMISSIONS MANAGEMENT

Climate change is one of the most important challenges we face today. In fact, to a greater or lesser extent, all organisations are responsible for emissions of greenhouse gases that cause climate change.

Our contribution to climate change is twofold: on the one hand, the effort we make to

reduce emissions of greenhouse gases in our production processes through proper environmental management; and, on the other, as a supplier of components to the automotive sector, our added value lies in our technological capacity to develop new products and innovative solutions that allow us to obtain lighter parts that help our customers reduce their CO2 emissions, as less weight means less fuel consumption and fewer emissions generated during the vehicle use stage.

Climate change is integrated into our business strategy through our R&D department. Its primary mission is to work on matters related to safety and the reduction of CO2 emissions, providing the best solutions adapted to particular specific needs and achieving the

best results in terms of weight reduction, safety and comfort. Along these lines, we take an active part in national and international projects aimed at developing innovative solutions together with other industry partners and collaborate with customers and suppliers.

Moreover, as mentioned in the section on economics, we also made a large investment in order to bring on board an increasing number of manufacturing technologies that allow us to offer lighter products to our customers. Investment in these technologies, together with investment in R&D, is a growing part of the Group's investments.

Since 2010, the Group has been calculating its carbon footprint in accordance with the Greenhouse Gas Protocol (GHG) Standard:

- Direct emissions of greenhouse gases from the burning of fuels and fuel consumption by company cars (Scope 1).
- Indirect emissions of greenhouse gases due to the consumption of electricity (Scope 2).
- All other indirect emissions from the transport of raw materials and products and business travel (Scope 3).

Tonnes of CO2 equivalent that include CO2 as well as CH4 and N2O are calculated for each of the three scopes.

In 2012 we joined the Carbon Disclosure Project initiative and published the first results for the year 2011.



Regarding the scope of emissions, the calculation does not include Gestamp facilities incorporated in 2012, nor those where we have no control over their management.

The emissions generated by Gestamp, broken down by geographical area and scope in 2012,

can be seen below and taking as sources of reference: emission factors for electricity supplied by the International Energy Agency, CO2 emission factors for fuels from IPCC guidelines and LHV Fuel Factors from UNFCC.

#### Greenhouse gas emissions - Absolute data

##### Greenhouse gas emissions (tCO2 eq)

	Direct emissions Scope 1	Indirect emissions (electricity consumption) Scope 2	TOTAL EMISSIONS Scope 1+2
Europe	60,335	143,027	203,362
North America	9,580	67,695	77,275
South America	3,616	12,124	15,740
Asia	2,725	51,019	53,745
<b>TOTAL</b>	<b>76,256</b>	<b>273,865</b>	<b>350,121</b>

##### Other indirect greenhouse gas emissions (tCO2 eq)

	Transport of products and raw materials	Business travel Scope 3
Europe	48,124	5,997
North America	16,122	863
South America	7,143	1,104
Asia	9,658	16
<b>TOTAL</b>	<b>81,047</b>	<b>7,980</b>

#### Greenhouse gas emissions - Relative data

##### In terms of turnover

2012 turnover (Million)	5,757
Scope 1+2 emissions (tCO2 eq)	350,121
Emissions/Turnover	60.82
Comparison 2011-2012	-3.15%

##### In terms of tonnes of steel consumed

Tonnes of steel consumed in 2012	2,394,953
Scope 1+2 emissions (tCO2 eq)	350,121
Emissions/Tonne of steel consumed	0.15
Comparison 2011-2012	1.44%

##### In terms of the number of employees

Average workforce 2012	26,944 *
Scope 1+2 emissions (tCO2 eq)	350,121
Emissions / Employee	12.99
Comparison 2011-2012	-0.92%

We cannot draw conclusions about the Group's performance by comparing relative emissions to previous years. Gestamp has grown very rapidly since 2010 through the construction of new production facilities and, especially, through the acquisition of other business Groups such as Edscha and the ThyssenKrupp Automotive division. Both, especially Edscha, are businesses with specific characteristics in terms of their manufacturing processes and environmental management which, when they joined the Group, change the emissions results. Thus, for example, due to their type of business activity, the Edscha facilities have lower emissions per employee or relative to turnover than Gestamp's traditional facilities; on the other hand, they have more emissions per unit of steel. This difference

in Edscha's behaviour with regard to Gestamp's traditional activity is very important, and will have significant influence on the final results, although at Edscha it represents 12% of the total Gestamp Group 2012 sales.

In terms of emissions, the behaviour of the ThyssenKrupp manufacturing facilities is more like that of the traditional Gestamp facilities, although as they produce more chassis there are some differences.

For these reasons, in successive reports 2012 will be used as a reference to begin to draw conclusions about the effectiveness of the efficiency measures we are undertaking and about the Group's performance in this regard.

\* The number of employees does not match the total number of Group employees (28,566) because in order to calculate relative emissions it must be adjusted to the number of facilities reporting data to the Environmental Indicator for calculating their emissions. Consequently, facilities that joined the Group in 2012 that are still not reporting their data and facilities where we have not got operational control are not included.



**BEST PRACTICE.**  
**IMPLEMENTATION OF A TOOL TO**  
**IMPROVE ENERGY EFFICIENCY AT**  
**GESTAMP AYCLIFFE**

Our manufacturing facility located in Newton Aycliffe (in north-east England) is currently one of the largest chassis component manufacturing facilities in Europe. It has over 65,000 m2 distributed in five sections or plants.

An objective was proposed in 2012 aimed at reducing energy consumption as part of its

environmental management strategy set out by ISO 14001 and ISO 50001 Standards.

In order to be able to tackle this project and achieve its objectives, it was decided that an energy-monitoring system called “SenseLogix” would be implemented in order to measure the real-time consumption of different energy sources.



The annual energy cost is several million pounds, mainly from electricity and gas.

Thanks to this system, the following has been achieved:

1. Data from different meters and measurement systems from the different production lines and ancillary facilities has been collected.
2. The energy-related information has been grouped together in a single panel.
3. The consumption in different units has been monitored and related: energy (KWH, m3, air flow), cost (£) and carbon emissions (kg CO2)
4. Alarms have been set for when leaks or peaks and valleys in consumption occur
5. Our own reports can be created

All this means we can have a better understanding of each manufacturing production building’s energy consumption and, thus, set out measures for saving and improving them.

A team has been set up, the “Energy Team”, which is responsible for its implementation, monitoring, internal dissemination and to develop improvement proposals.

Among the improvements made this year is the replacement of the lighting system with a system that has more efficient technology.

An automatic turn-off system has also been installed for when the lighting is not needed, for example when there is daylight or when the manufacturing production building is not being used, thereby achieving a substantial reduction in consumption.

In the case of the South 2 factory, for example, the change in lighting has resulted in a 69% power saving over the previous technology, with the corresponding financial saving.

After the first phase of implementing the “SenseLogix” system is completed, the pertinent process improvements will be prioritised and carried out with the goal to achieve a 10% energy saving of the total energy consumption by the end of 2014.

“At Gestamp Aycliffe we are committed to reducing emissions by 10% over the next three years. We will achieve this goal by monitoring our key consumption points and, based on these, identifying opportunities for improvement that will be implemented within the framework of our plans for continuous improvement. The “Energy Team” has been created to promote the initiative and to establish best practices and procedures”.

*John Lanaghan  
Head of Environment and Facilities at  
Gestamp Aycliffe*

WASTE MANAGEMENT

Different types of waste are generated throughout our manufacturing process. We have identified the major categories of hazardous and non-hazardous wastes produced by our facilities and, by means of

the indicator, we can monitor the amounts generated on a quarterly basis. The total hazardous and non-hazardous wastes as of 31 December 2012 was 22,817 and 15,441 tonnes, respectively.

	Hazardous Waste (tonnes)	Non-Hazardous Waste* (tonnes)	Total waste (tonnes)
Europe	10,204	9,691	19,895
North America	1,446	1,728	3,174
South America	10,367	3,175	13,542
Asia	799	847	1,646
<b>TOTAL</b>	<b>22,816</b>	<b>15,441</b>	<b>38,257</b>

\*Note: This does not include scrap – see “Recycling of scrap” explanation.

SCRAP METAL RECYCLING

All scrap metals are recyclable and have a consumption market. At Gestamp, we manage the scrap we generate, which comes mainly from our stamping and machining manufacturing processes, in different ways. We try to properly separate the different types of scrap whether ferrous, alloys or non-ferrous, in order to add value to the recycling chain. In turn, we increase the

density of the scrap by packing them and thereby reducing the number of transports to their final consumption destination.

During 2012, 921,751 tonnes of scrap were generated, including metal trimmings derived from the Group’s manufacturing processes and other metallic waste, such as components and machinery that have become obsolete:

Scrap metal (tonnes)

Europe	592,470
North America	160,786
South America	115,936
Asia	52,559
<b>TOTAL</b>	<b>921,751</b>

As automobile component manufacturers, we must comply with the End-of-Life Vehicles Directive that entails limiting the use of certain hazardous substances and provide vehicle manufacturers with a means to dismantle, reuse, recover and recycle them at the end of their useful life.

Since we produce metal components for the automotive sector, all our products can be recycled at the end of their lives.

In addition, the type of packaging we use for our products is often a requirement of the client.

ENVIRONMENTAL AWARENESS AND TRAINING

Environmental training and awareness are a key element for our people so that, as they go about their daily activities, they generate the least possible impact on the environment. Accordingly, training carried out during 2012 was focused on the following aspects:

- Training on recycling
- Energy saving and efficiency
- Responsible energy consumption
- Waste management
- Environmental management systems

ENVIRONMENTAL INCIDENTS

Occasionally, minor environmental incidents occur during the manufacturing processes, such as spilled oil or chemicals. During 2012, all incidents in our facilities were of this type and were able to be solved using the facility’s own resources. It was not necessary in any case to resort to external resources or to file a report with the environmental insurance company that covers any potential damage that our activity could cause to the environment.



| 120 | 119 | 116 | 116 | 114 | 111 | 108 | 106

SHARED  
SUSTAINABILITY

EDUCATION AND TRAINING:  
TRANSFERRING KNOW-HOW

BEST PRACTICE. COLLABORATION  
WITH THE COMILLAS PONTIFICIAL  
UNIVERSITY TO CREATE A  
RECRUITING GROUND FOR  
INTERNATIONAL PROJECT  
MANAGERS

BEST PRACTICE. TRAINING  
PROFESSIONALS AT SANTA ISABEL

SPONSORSHIP  
AND PATRONAGE

MEMBERSHIP OF  
ORGANISATIONS

AWARDS AND  
RECOGNITIONS

COMMITMENT TO  
EXTERNAL INITIATIVES

# 105

## INVOLVEMENT WITH SOCIETY

“... And respect for the various environments  
in which we operate is the best guarantee for a  
secure future”

*Excerpt from Corporate Principles,  
Gestamp Group Code of Conduct.*

The activity generated in the various communities in which we operate makes us an ideal instrument for their development through the generation of employment, hiring of local suppliers, knowledge transfer, creation of strategic alliances and involvement in local initiatives. We also believe it is important to respect the culture and idiosyncrasies of each community in order to ensure the creation of shared value.

## SHARED SUSTAINABILITY

The path to sustainability is a journey shared with many stakeholders, but especially those, such as our suppliers, with which the company joins in order to promote the development of its business in any of the countries where it operates.

In our relationship with suppliers, we do not only take into consideration economic criteria, but rather we convey to all of them the need to commit to the following sustainability requirements:

- Commitment to respect our Corporate Principles included in the Code of Conduct and the principles of the Global Compact (human, labour and environmental rights, and anti-corruption).
- Ensure that care is taken with health and safety, the environment and the quality of the product or service.

As we are aware of the volume, type and geographic distribution of the suppliers we work with, we have a web portal to manage all our suppliers in a global fashion. The portal has been implemented in the vast majority of Group companies, except for new manufacturing facilities or those from new acquisitions which already had their own management system. Throughout 2013, we will be adding new companies in order to achieve 100% cover of the Group on the medium term.

This computer tool is primarily aimed at improving the communication channel open with our suppliers, helping them to constantly improve their products or services because this will:

- Simplify and harmonise the Group's procurement process.
- Unify indicators for decision-making.
- Set the criteria required, depending on the type of supplier (raw materials, components, machinery and tools, or indirect purchases).
- Guarantee compliance with requirements of a legal, sustainability nature, etc.

- Channel faster any queries, complaints or suggestions that may occur during the purchase process.
- Generate positive and transparent competition.

Once the process starts, each supplier has an access key and password to access a private area. When concluding a contract, all suppliers accept a commitment to comply with the General Purchasing Conditions, which include all the requirements mentioned above.

In terms of quality, we know that to be a leader in manufacturing metal components and assemblies for cars, entails the maximum customer satisfaction and compliance with all quality requirements in every product Gestamp manufactures.

We regularly assess our direct material (raw material and components) suppliers in terms of the quality of their deliveries. Doing this gives us information on each supplier's degree of compliance with quality requirements and logistics.

Depending on the outcome of the assessment, providers will be categorized as "A", "B" or "C", with "A" being the highest score and "C" the lowest. As of 31 December 2012, 88% of providers were rated as either "A" or "B".

This classification will be another criterion to consider when the supplier once again participates in a purchasing process.



Depending on their final classification, suppliers with a low score or in a risk area may be audited or, if necessary, invalidated. There were 165 supplier audits in 2012.

A project began in 2012 to audit not only direct material providers with low scores based on the assessment criteria, but also the most representative direct material suppliers, and this will be further developed during 2013.

Our most important requirement is for our suppliers of raw materials or components to have implemented the ISO/TS 16949 Standard or, failing that, the ISO 9001 Standard. Having management systems implemented in accordance with these standards is, for us, a guarantee of standardisation of processes that ensures the quality of the end product.

By late 2012, 93% of our suppliers of raw materials and plant components for the plants where this system of control and quality monitoring has been established have some form of the aforementioned certification.

Besides these compulsory certifications, and to extend our commitment to the environment to our suppliers, we consider an ISO 14001 certified environmental management system to be an additional plus. It is one of the criteria requested in the supplier assessment.

## EDUCATION AND TRAINING: TRANSFERRING KNOW-HOW

We believe that the real contribution to the development of the people living in the communities where we operate is the creation of jobs (direct or indirect).

So, when we start-up a new plant, we are aware of being obvious instruments for the development of the territory or country.

Accordingly, in addition to the economic contribution we make in terms of generating direct and indirect employment, we would like to highlight our contribution in the field of education and training.

This education and training is carried out in two areas: internally for new hires when starting up a project and externally to certain groups in the communities where we operate.

### Starting up new projects

Our strong vocation for customer services has made our Group an ally of value that is able to meet the needs of each customer wherever these needs may be, while maintaining the same level of product requirements and quality.

To maintain these levels of response and quality, we have highly qualified personnel who move to different countries where a new project is being started up, aiming to train local employees and to collaborate at the start of the project. This guarantees success not only in terms of deadlines and product quality, but also in terms of implementing our corporate culture and policies.

Once local employees have acquired sufficient knowledge and are able to maintain the activity of the plant, and successfully respond to customer requirements and function in line with the Group's policies, the support teams are withdrawn, leaving the plant operated either entirely or mostly by local people.

In case of a shortage of certain professional profiles in a country or region, we send expatriates and posted workers to fill the openings created by these deficiencies. Expatriates are transferred for a period of time, for about 2 to 5 years, and posted workers for periods of several months.

In 2012, we had 66 expatriate and 57 posted workers, plus support teams who are transferred for shorter periods of time.

As the table shows, the greatest number of transfers took place in China, followed by Russia, where growth is high and the number of new facilities is greater.



Table of expatriate and posted workers during 2012 by country

Country	No. of expatriates	No. of posted workers
Russia	18	24
China	20	0
Hungary	2	15
Brazil	2	6
Czech Republic	1	6
India	5	1
South Korea	2	1
Poland	3	0
Others	13	4
<b>TOTAL</b>	<b>66</b>	<b>57</b>

Training people in local communities

Another way to promote training and employability is through traineeships at our manufacturing facilities. These stays consist of periods of training and internships done by students who are doing vocational training, college or postgraduate training as part of their

educational programmes and carried out with the support of various academic institutions.

At corporate level, in 2012 we launched, in conjunction with Comillas Pontifical University, a Master programme in order to create a recruiting ground for International Project Managers.

BEST PRACTICE. COLLABORATION WITH COMILLAS PONTIFICAL UNIVERSITY TO CREATE A RECRUITING GROUND FOR INTERNATIONAL PROJECT MANAGERS



Gestamp, together with Comillas Pontifical University (ICAI-ICAD), a world-renowned academic and research university, launched the first edition of the Master course in International Industrial Project Management in October 2012.

With this initiative, we aim to develop the profession of International Project Management and create a recruiting ground of qualified, competitive professionals able to interact in the complex global business arena today.

The Master programme prepares participants for the comprehensive management of industrial projects in globalised environments, through a very operational approach, in which the fundamentals of project management are complemented by the actual management of industrial projects in the automotive sector, through a period of paid internship at Gestamp plants around the world.

The Master's programme lasts 9 months and has three training blocks:

1. International Project Management: students learn techniques and tools that allow them to get started in the administration and management of business projects in a globalised, international industrial framework that is highly competitive and complex.
2. The company and its areas of operation: business knowledge about the operation, structure and organisation of companies, with particular emphasis on the industrial sector and, in particular, the Gestamp case (Accounting and Finance, Operations, Strategy, Human Resources)
3. Management Development: this seeks to promote aspects related to capabilities and business management skills, particularly those required for the effective management of multicultural, multi-departmental and organisationally complex projects.

In the first edition, 28 young engineering university graduates, with nine different nationalities were trained, resulting in an employability rate of over 85% after the business internship period.

The second edition is ready to begin, and is expected to develop the international profile of 30 young people from very different backgrounds who will do their internships in any of the 19 countries where Gestamp is present.

“One of the most positive aspects of the Master programme has been the great international atmosphere. Different ideas and ways of sharing during conferences, dynamics, discussions, presentations and seminars have given us new horizons of knowledge.”

*Carmen Piquero (Spain)*

“Unlike other Master programmes, this one is focused on a much more practical and realistic type of learning that not only conveys theoretical knowledge of international project management, but it also gives us an opportunity to engage and work directly on an industrial project. Thus, we don’t only learn, but we also contribute our efforts to be able to show our value in the labour world.”

*Ming Cai (China)*

Sometimes, given the scarcity of local professionals, we also work with local agents to train people in technical and operational skills typical of the automotive sector. This activity not only benefits Gestamp, but also allows us to contribute to awaken interest in industrial activity in the region, to promote the specialisation of professionals and to serve as a benchmark for other companies in the area.



## BEST PRACTICE. TRAINING PROFESSIONALS AT SANTA ISABEL



Gestamp Santa Isabel is a newly established company located in the state of Sao Paulo in Brazil. It has the latest technology in stamping and welding. The plant's location was decided based on logistics and available industrial land.

The construction project began in 2011 and, by the end of the same year, workers began to join the company, and in May 2012 production of the first parts began.

There were 425 employees in December 2012.

We became aware of the shortage of professionals in the area near the plant during the initial selection process. People's experience was related to trade in general (textiles, supermarkets, etc.) and the rural environment. To overcome this situation, we decided to train people interested in our industry with the help of local agents.

The course is taught in a classroom donated by the Prefecture of Santa Isabel, in the Ferreria Oscar Godoy school. In addition to the teaching staff provided by Gestamp Santa Isabel, we are assisted by an instructor from the SNAI (National Industrial Apprenticeship Service), who has extensive experience in the automobile industry and knowledge of various subjects covered in the programme.

The course lasts 60 hours, with lesson four hours a day. The topics covered are: History of the Group, Human Resources, Quality and Process Concepts, Environment, 5s, Audits (ISO TS, 14001, QSB and VDA), MASP, Code of Ethics, Interpretation of Technical Documentation,

Basic Metrology, TPM –Level 1 Maintenance and Occupational Safety.

To participate on the course, the candidate must register at the PAT (Workers' Services Centre) in the city. We then carried out a selection process where we assessed the experience and other courses that the candidate had attended, although a candidate with no experience or prior training could also be selected.

We trained 320 people in 2012 and, altogether, up to March 2013, we have trained 850 people, entailing more than 52,000 hours of training.

The course is currently a compulsory requirement when hiring production employees.

Gestamp benefits by hiring employees with knowledge related to the activity, being able to observe candidate profiles during the course with future selection needs in mind, offering the community a vision of Gestamp, creating interest in industrial activity in the region by promoting the specialisation of professionals, and serving as a reference for other local companies.

The course, in addition to providing an access to work at Gestamp, improves employability in the community since this training is highly valued in other industries that are established in the area.

In turn, people at risk of social exclusion or with disabilities are encouraged to participate in the courses.

"When I was called to do the training course offered by Gestamp, I knew nothing about how an industrial company operates. While I was on the course, I was able to learn about preventive maintenance, the 5s concepts, occupational safety, ISO 14000, ISO TS, teamwork and many other things.

The course is dynamic and covers various specific topics. It gives a considerable amount of knowledge about the industrial sector to candidates who have no experience and this greatly facilitated my learning.

This course was a determining factor for me to find out about skills I knew nothing about and that could give me a new view on professions and life, which led me to where I am now, assuming a position of leadership in which I use tools that I learned on the course in my day-to-day work; these tools became a multiplying factor that allowed me to continually seek increasing success and personal satisfaction."

*Elton Mota do Nascimento,  
Production Leader.*



## SPONSORSHIP AND PATRONAGE

We also make other contributions to the community as volunteers, sponsors and patrons.

Many actions have been carried out, which stem from the knowledge of each of our companies of the social reality surrounding them. Thus, some programmes have been aimed at reforestation or environmental awareness, others at helping a particularly vulnerable group, others to give awards or social recognition for work done, others have been aimed at leisure and participation, and others have been carried out jointly (employees and company) to collect clothes, toys, etc. to deliver to a particular NGO.

During 2012, according to information, donations amounted to a total of 541,305 euros.

## MEMBERSHIP OF ORGANISATIONS

For a group like ours, participation in organisations related to our business in the countries where we operate is strategic, as it ensures that we are present in the most important fora. Some of them are detailed below:

### Europe

CEOE / CEPYME- Confederación Española de Organizaciones Empresariales  
AEC- Asociación Española de Calidad  
SERNAUTO -Asociación Española de Fabricantes de Equipos y Componentes para la Automoción  
CEAGA - Clúster de empresas de automoción de Galicia  
ACICAE- Asociación empresarial de industrias de componentes de automoción de Euskadi  
GIRA - Grupo de Iniciativas Regionales de Automoción  
UPM (Unión patronal metalúrgica)  
AIMME (Instituto tecnológico Metalmeccánico)  
AIMEN (Centro tecnológico)  
CPOE -Confederación Palentina de Organizaciones Empresariales  
FACYL -Federación de Castilla y León de automovilismo  
AEI (Agrupación empresariales innovadoras de Automoción) de la provincia de Jaén

ACICAE (Asociación empresarial de industrias de componentes de automoción de Euskadi)  
Cluster de Automoción de Zaragoza  
Organización patronal del Metal de Barcelona : UPM  
Asociación Navarra de empresas del Metal  
Federación Vizcaína de Empresas del Metal  
Instituto de la Empresa Familiar  
BCSD Portugal - Conselho Empresarial para o Desenvolvimento Sustentável  
AINMAP - Associação das Indústrias Metalúrgicas, Metalomecânicas e Afins de Portugal  
Câmara de Comércio Luso-Espanhola (Portugal)  
VBM - “Verband bayerischer Metall - und Elektrobetriebe” (Bavarian employer association)  
ARIA - regional association of automotive car makers and suppliers  
Employers association (“Arbeitgeberverband”)  
Association of European Business of Russia  
Polish Chamber of Automotive  
Lulea University of Technology  
Svenskt Näringsliv (Swedish Enterprise association)  
Industriarbetsgivarna (Industrial Employers association)  
Fordonskomponentgruppen FKG (Association for Swedish suppliers to OEM)  
VDA – Association Automotive Industry (“Verband der Automobilindustrie”)  
MEDEI/UNIMM: Organización de empleados  
Economic Forum of the local area “Eichsfeld”  
Institute of Environmental Management  
North East Chamber of Commerce UK  
EEF (Manufacturers Organisation for UK)  
IHK Koblenz  
Institute of Environmental Management Washington UK  
BUGiAD- Bursa Entrepreneurial Businessmen Association Turkey

North America

South Carolina Chamber of Commerce  
Chattanooga Chamber of Commerce  
Chattanooga Manufacturers Association  
Michigan Manufacturers Association  
COPARMEX - Confederación Patronal de la República Mexicana  
CANACINTRA- Cámara Nacional de la Industria de la Transformación de México  
INA - Industria Nacional de Autopartes de México  
ARITAC - Asociación de Relaciones Industriales de Toluca - México  
ARIAAC - Asociación De Relaciones Industriales de Aguascalientes - México  
ARIAAC - Asociación De Relaciones Industriales de Aguascalientes - México

South America

A.F.A.C. -Asociación de Fabricantes de Autocomponentes de Argentina  
UIC -Unión Industrial Córdoba - Argentina  
CIMCC - Cámara de Industriales Metalúrgicos de Córdoba - Argentina  
SESI - Serviço Social da Industria do Brasil  
SENAI - Serviço Nacional de Aprendizagem Industrial do Brasil  
FIERGS - Federação da Indústria do estado do Rio Grande do Sul - Brasil

Asia

EFSI - Employee Federation of Southern India  
Shanghai Association of Enterprises with Foreign Investment

AWARDS AND RECOGNITIONS

One way that good work done by organisations is recognised is the awards and recognitions received.

We are very pleased to have received some of these awards and recognitions during 2012, both at Group level as well as at the level of some of our companies. The most significant are mentioned below:

To Gestamp Group:

- General Motors Global Best Supplier recognises the significant contribution made by Gestamp Group as part of achieving the results of a global company like GM. The variables for awarding this recognition have been technological innovation, quality, cost and service.



- Special mention from the Circle of Entrepreneurs and the Wharton School at the University of Pennsylvania, recognising, among other merits, Gestamp's acquisition in 2011 of the chassis subsidiary of the German group ThyssenKrupp.

To Francisco J. Riberas

- Entrepreneurship Award from the French/Spanish Chamber of Commerce, recognising the career path of our Chairman and the ability for entrepreneurship and taking risks in the context of a family business in the industrial sector.

We would also like to highlight some of the awards and recognition received by our companies:

- Gestamp Puebla (Mexico): Volkswagen Group Award and the company LACC (as a Volkswagen supplier) in recognition of its commitment and support on environmental issues.
- Gestamp Córdoba (Argentina): QUALITAS Prize from Fiat Auto Argentina SA - Best quality performance in 2011.
- Gestamp México (Mexico): Best Launch Award Nissan Mexicana 2012.
- Gestamp Kartek (Korea): Award received from Pusan National University for providing internships and job opportunities to students of the Southeast Regional College of Technology.
- Gestamp Wuhan (China): Excellent Supplier 2012 by Dongfeng Peugeot-Citroën Automobile Limited (DPCA) and also the Safe

Production Award from the local government.

- Gestamp Aveiro (Portugal) Excellent Quality Supplier to GM 2012
- Gestamp Ludwigsfelde and Brackwede (Germany) - Daimler Supplier Award.

## COMMITMENT TO EXTERNAL INITIATIVES

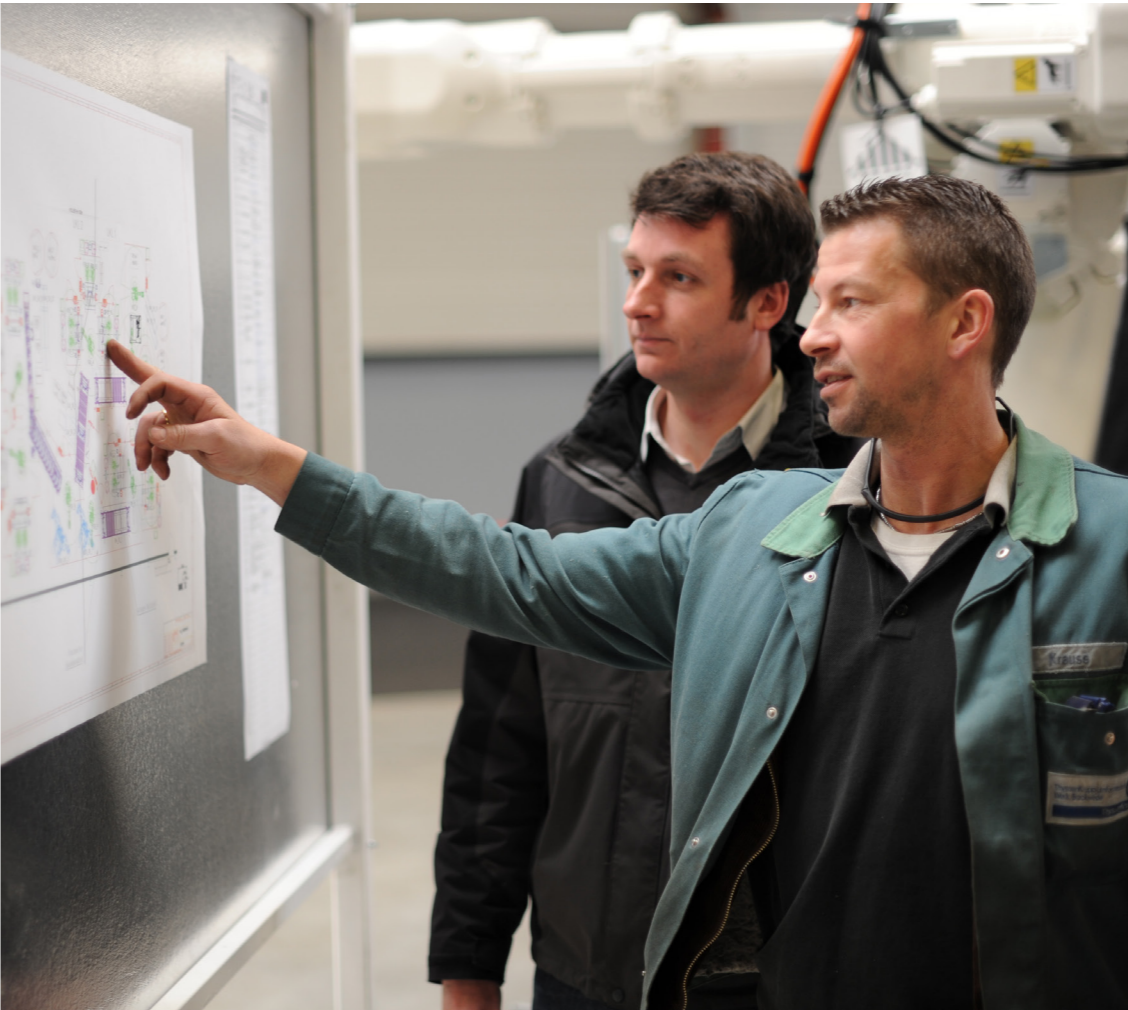
We are a company committed to some of the most important global initiatives in sustainability:

- Global Compact: an international initiative proposed by the United Nations. Its objective is to obtain a voluntary commitment via the implementation of Ten Principles based on human rights, labour, the environment and anti-corruption. We have been adhered to the Global Compact since 2008, and members since 2011.

In 2012, we published the Progress Report for 2011 and collaborated in the publication "European Global Compact businesses towards Rio+20: a collection of best practices" which was presented in the framework of the Rio+20 Corporate Sustainability Forum held in Rio de Janeiro in June 2012. The best practice for Gestamp's Occupational Health and Safety management model was one of the practices of eight Spanish companies selected for the publication, which contains practical examples of sustainable development from 100 companies in 20 European countries.

- CDP Carbon Disclosure Project: an independent, non-profit organisation which maintains the largest global database of corporate climate change information. Through an annual survey, CDP gathers information on the risks and opportunities identified relating to climate change, emission reduction plans and the transparency of corporate actions to mitigate climate change.

We joined in 2011, and it was not until 2012 that we voluntarily published our first report where we provide information on what we are doing in this area. Our goal is to continue to improve over the next years, because the reduction of CO2 emissions is a key issue for the company.



# ABOUT THE REPORT

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							MATERIALITY
							STAKEHOLDERS
							VERIFICATION
							CONTENTS AND GRI INDICATORS
							COMMITMENT TO THE GLOBAL COMPACT

## SCOPE AND COVER OF THE REPORT

This first Sustainability Report from the Gestamp Group has been prepared in accordance with the requirements of the Global Reporting Initiative (GR3.1), for both defining the contents of the report as well as to ensure its quality. It is our intention to publish the sustainability report on an annual basis.

In this Report, we provide information about our activities and major social, economic and environmental impacts during 2012.

With regard to the scope of the report:

- The financial information contained in the chapter on Financial Development and Innovation refers to all Group companies (GestampAutomoción S.L. and subsidiaries). These are detailed on pages 16 and 17 of the Gestamp Group's Consolidated Financial Statements for the year ending 31 December 2012.
- The social and environmental information reflected throughout the chapters Commitment to People, Commitment to Occupational Health and Safety, Caring for the Environment and Involvement with Society, is limited to the manufacturing facilities (plants) where the Group has a majority position and management control (See the Appendix with the list of manufacturing facilities and divisions that fall within the scope of the Sustainability Report).
- In cases where there scope and cover differ from that stated, the appropriate specifications were made.

### Europe

- Estampaciones Metálicas Vizcaya, S.A.
- Gestamp Polska SP. Z.O.O.
- Sofedit Polska SP. Z.O.O.
- Gestamp Hungaria, KFT.
- Gestamp HardTech, A.B.
- Gestamp Louny, S.R.O.
- Gestamp UK, Ltd.
- Tallent Automotive, Ltd.
- Araluce, S.A.
- Matricerías Deusto, S.L.
- Adral, matricería y puesta a punto, S.L.
- Gestamp Tool Hardening, S.L.
- Gestamp Tooling Services, AIE
- Gestamp Global Tooling, S.L.
- Gestamp Umformtechnik GmbH
- Griwe Werkzeug Produktions GmbH
- Griwe System Produktions GmbH
- Griwe Innovative Umformtechnik GmbH
- Prisma S.A.S.
- Gestamp Severstal Vsevolozhsk LLC.
- Gestamp Severstal Kaluga, SRL.
- Gestamp Togliatti, LLC.
- Metalbages, S.A.
- MB Abrera, S.A.
- Solblank, S.A.
- Estampaciones Martinez, S.A.
- MB Levante, S.L.
- Gestamp Navarra, S.A.
- Gestamp Solblank Navarra, S.L.
- MB Aragón, S.A.
- Gestamp Manufacturing Autochasis, S.L.
- Gestamp Toledo, S.L.
- Gestamp Linares, S.A.
- Gestamp Palencia, S.A.
- Galvanizaciones Castellana, S.A.
- Gestamp Portugal, Ltda.

- Gestamp Aveiro, S.A.
- Gestamp Vendas Novas, Lda.
- Gestamp Vigo, S.A.
- Gestamp Cataforesis Vigo, S.L.
- Gestamp Noury S.A.S.
- Gestamp Ronchamp, S.A.S.
- Sofedit S.A.S.
- Edscha Santander, S.L.
- Edscha Burgos, S.L.
- Edscha Briey, S.A.S.
- Edscha France Engineering S.A.S
- Edscha Holding GmbH.
- Edscha Engineering, GmbH.
- Edscha Kunststofftechnik GmbH
- Edscha Automotive Hengersberg GmbH
- Edscha Automotive Hauzenberg GmbH
- Edscha Automotive Kamenice S.R.O.
- Edscha Hradec S.R.O.
- Edscha Velky Meder S.R.O.

### South America

- Gestamp Baires, S.A
- Gestamp Córdoba, S.A.
- Gestamp Brasil Industria de Autopeças, S.A
- Edscha Do Brasil, Ltd.

### North America

- Edscha Michigian Inc.
- Gestamp Alabama, LLC.
- Gestamp Mason, LLC.
- Gestamp Chattanooga, LLC.

- Gestamp South Carolina, LLC.
- Gestamp West Virginia LLC.
- Gestamp México, S.A. de C.V.
- Gestamp Puebla, S.A. de C.V.
- Gestamp Toluca, S.A. de C. V.

### Asia

- Gestamp Auto Components (Kunshan) Co.,Ltd.
- GMF Wuhan, Ltd.
- Gestamp Auto Components (Shenyang), Co. Ltd.
- Gestamp Auto Components (Dongguan), Co. Ltd.
- Gestamp Kartek Co, Ltd.
- Gs Hot Stamping Co. Ltd.
- Gestamp Automotive India Private Ltd.
- Gestamp Sungwoo Hitech (Chennai) Private, Ltd.
- Gestamp Sungwoo Stampings and Assemblies Pvt. Ltd.
- Shanghai Edscha Machinery Co., Ltd.
- Anhui Edscha Automotive Parts, Co. Ltd.
- Edscha Automotive Technology, Co., Ltda.
- Jui Li Edscha Body Systems, Co., Ltda.
- Gestamp Edscha Japan Co., Ltd.
- Edscha Automotive Components Co., Ltd.

## MATERIALITY

As a previous step before drafting the report, an analysis was conducted in order to obtain the relevant aspects for a company like ours, which operates in the automotive sector in an international environment.

The definition of the relevant issues that have been included in the report is based on several sources:

- The company's strategic business plan.
- Our mission and vision mentioned in the Code of Conduct
- The analysis of the automotive industry in terms of sustainability.
- Benchmarking of key competitors.
- Current trends in sustainability, both domestic and international.
- Raising the expectations of our stakeholders.

As a result of the above information, we have considered that the issues relevant to us are:

- Financial strength
- Technological innovation

- Corporate culture
- Education and training
- Climate change
- Energy efficiency
- Waste management
- Product quality
- Health and safety
- Geographic diversification
- Local communities

## STAKEHOLDERS

Although each company or division is responsible for managing its own stakeholders, on a corporate level we have established large general categories alongside the usual communication channels. The frequency of engaging with different stakeholders varies, and suited to each stakeholder and each of our companies.

Stakeholder	Communication Channels
Employees	Web
	Intranet
	Welcome manual
	Internal newsletter
	Satisfaction and working environment survey
	Suggestion box
Customers	Progress report
	Web
	Periodic visits and meetings with customers
	Progress report
Suppliers	Annual financial statements
	Web
	Supplier portal
	Progress report
Society	Annual financial statements
	Sponsorships and patronage
	Participation in courses and seminars
	Participation in local organisations, technology centres
	CSR mailbox
	Annual financial statements
Media	Progress report
	Web
	Press releases
	Web
	Annual financial statements
	Progress report

The main expectations of our stakeholders have been identified through our relations channels and have been included throughout

this report. The most relevant issues are detailed in the previous section on materiality.

VERIFICATION

The entire Gestamp Sustainability Report has received independent external verification by Ernst & Young in accordance with:

- Global Reporting Initiative G3.1
- The Principles of the UN Global Compact

Ernst & Young have verified both the structure and content with a limited assurance engagement under the ISAE 3000 Standard.

In addition, Gestamp S.A.'s and its subsidiaries' Consolidated Financial Statements are audited annually by external independent companies

in compliance with applicable law. In addition, all internal information systems are controlled by the internal audit service.

GRI Content Index

The following tables provide the pages of the Sustainability Report 2012 of Gestamp and the sustainability indicators.  
The full Content Index for GRI 'S Annual Report 2012 can be accessed at:  
<http://www.gestamp.com/sustainabilityreport/Content-Index>

Standard disclosure: profile disclosures		Reference	Status
Strategy and analysis			
1.1	Statement from the most senior decision-maker	7-8	●
1.2	Description of key impacts, risks, and opportunities	7-8, 33-35, 38-53, 56, 74, 88, 96-99, 106-107, 126-127	●
Report parameters			
2.1	Name of the organization	21	●
2.2	Primary activities, brands, products, and/or services	16-21	●
2.3	Operational structure	23	●
2.4	Location of organization 's headquarters	144	●
2.5	Countries in operation	15-16	●
2.6	Nature of ownership	21-22	●
2.7	Markets served	39-41	●
2.8	Scale of the organization	15-16, 38, 56	●
2.10	Awards received	119-120	●

- Fully reported
  - Partially reported
  - Not reported
  - No applicable
- CI Content Index

Standard disclosure: profile disclosures		Reference	Status
Report parameters			
3.1	Reporting period	124	●
3.3	Reporting cycle	124	●
3.4	Contact point for questions	143	●
3.5	Process for defining report content	126-127	●
3.6	Boundary of the report	124-125	●
3.7	Limitations on the scope or boundary of the report	124-125	●
3.8	Joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities	49-50	●
3.9	Data measurement techniques	124	●
3.12	GRI Content Index	128-138	●
3.13	External assurance	128	●

Governance, commitments and engagment

4.1	Governance structure	21-23	●
4.2	Indicate whether chairperson is also executive officer	22-23	●
4.3	Board structure	22-23	●
4.4	Mechanisms for shareholders and employees to provide recommendations to the highest governance body	31, 126-127	●
4.5	Linkage between compensation for members of the Board, senior managers, and executives, and the organization 's performance	23	●
4.6	Processes to avoid conflicts of interest at the Board	23	●

- Fully reported
  - Partially reported
  - Not reported
  - No applicable
- CI Content Index

Standard disclosure: profile disclosures		Reference	Status
4.7	Expertise of Board members on sustainability topics	21-23	●
4.8	Statements of mission, codes of conduct, and principles	27-31	●
4.9	Procedures of the Board for overseeing the organization ´s management of sustainability performance	27-31	●
4.10	Process of evaluating the Board ´s sustainability performance	27-31	●
4.11	Precautionary approach	52-53	●
4.12	External charters, principles, or other initiatives	108-115	●
4.13	Memberships in associations	116-118	●
4.14	Stakeholder groups	126-127	●
4.15	Stakeholder identification and selection	31-33, 126-127	●
4.16	Approaches to stakeholder engagement	31-33, 126-127	●
4.17	Topics and concerns raised by stakeholders	21, 52-53, 56, 68, 106-108, 126-127	●

● Fully reported  
● Partially reported  
● Not reported  
● No applicable  
CI Content Index

Disclosures management approach		Reference	Status
Economic aspects			
	Economic Performance	27-34, 38-41	●
	Market Presence	38-43	●
	Indirect economic impacts	46-48	●
Environment aspects			
	Materials	27-29, 88, 92-93	●
	Energy	27-29, 88-90, 92, 94	●
	Water	95	●
	Biodiversity	96	●
	Emissions, effluents and waste	27-29, 88-90, 96-99	●
	Products and services	27-29, 88-90, 96-101	●
	Compliance	88-89	●
	Transport	88-90, 97-98	●
	Overall	27-29, 88-99	●
Labor aspects			
	Employment	27-29, 56-61	●
	Labor/management relations	27-29, 56, 67-68	●
	Occupational health and safety	27-29, 73-81	●
	Training and education	55, 65	●
	Diversity and equal opportunity	27-29, 55, 65-66	●
	Equal remuneration for women and men	60, 65-66	●

● Fully reported  
● Partially reported  
● Not reported  
● No applicable  
CI Content Index

Disclosures management approach	Reference	Status
<b>Human Resources aspects</b>		
Investment and procurement practices	27-29, 61-64	●
Non-discrimination	27-29, 61, 64-67	●
Freedom of association and collective bargaining	67-68	●
Child labor	27-29, 140	●
Prevention of forced and compulsory labor	27-29, 140	●
Security practices	27-29, 53, 82-85	●
Indigenous rights	61-66, 106, 108, 120-121, 140	●
Assessment	70, 74-75	●
Remediation	70-71, 80	●
<b>Society aspects</b>		
Local communities	108-110	●
Corruption	27-29, 106-107, 120-121, 140	●
Public policy	96-97, 120-121	●
Anti-competitive behavior	105-113	●
Compliance	105-110	●
<b>Product aspects</b>		
Customer health and safety	40-47	●
Labeling of Service and Products	16-21, 27-31, 40-41, 46-47, 49-51	●
Customer privacy	16-21, 37-40, 52-53	●
Compliance	46-47	●

● Fully reported  
 ● Partially reported  
 ● Not reported  
 ● No applicable  
 CI Content Index

Standard disclosure:performance indicators	Reference	Status
<b>Economic indicators</b>		
EC1 Direct economic value generated and distributed	38-40, 50-51	●
EC2 Financial implications due to climate change	40-43, 50-53, 88-90	●
EC3 Coverage of the organization ´s defined benefit plan	68-69	●
EC4 Financial assistance from government	Full CI	●
EC5 Standard entry level wage by gender compared to local minimum wage	Full CI	●
EC6 Locally-based suppliers	47-48, 106-108, Full CI	●
EC7 Local hiring	108-110	●
EC8 Infrastructure investments and services for public benefit	110-115, Full CI	●
EC9 Indirect economic impacts	106-107, Full CI	●
<b>Environmental indicators</b>		
EN1 Materials used by weight or volume	92-93	●
EN2 Recycled input materials	102-103	●
EN3 Direct primary energy consumption	94	●
EN4 Indirect primary energy consumption	94	●
EN5 Energy savings	94-95, Full CI	●
EN6 Initiatives for energy-efficiency and renewable energy	19-21, 40-45, 97-98	●

● Fully reported  
 ● Partially reported  
 ● Not reported  
 ● No applicable  
 CI Content Index

Standard disclosure:performance indicators		Reference	Status
EN7	Initiatives to reduce indirect energy consumption	94-95	●
EN8	Total water withdrawal	95	●
EN9	Water sources significantly affected by withdrawal of water	95	●
EN10	Water recycled and reused	95, Full CI	●
EN11	Land assets in or adjacent to protected areas	96, Note 1	●
EN12	Impacts on biodiversity	96, Note 1	●
EN13	Habitats protected or restored	Full CI	●
EN14	Strategies for biodiversity	Full CI	●
EN15	Endangered species	Full CI	●
EN16	Greenhouse gas emissions	96	●
EN17	Other greenhouse gas emissions	96-99	●
EN18	Initiatives to reduce greenhouse gas emissions	94,99-101, Full CI	●
EN19	Ozone-depleting substances	Full CI	●
EN20	NOx, SOx and other air emissions	Full CI	●
EN21	Water discharge	Full CI	●
EN22	Weight of waste	102	●
EN23	Significant spills	Full CI	●
EN24	Waste deemed hazardous under the terms of the Basel Convention	Full CI	●
EN25	Impacts of discharges of water and runoff on biodiversity	Full CI	●
EN26	Initiatives to mitigate environmental impacts	19-20, 40-45, 102	●

Note1: All facilities are in urban and industrial areas. They have no biodiversity impact.

● Fully reported  
 ● Partially reported  
 ● Not reported  
 ● No applicable  
 CI Content Index

Standard disclosure:performance indicators		Reference	Status
EN27	Packaging materials	102, Full CI	●
EN28	Sanctions for non-compliance with environmental regulations	103	●
EN29	Environmental Impacts of transport	97-98	●
EN30	Environmental protection expenditures	88-89	●

#### Laboral indicators

LA1	Workforce by employment type, contract, region, and gender	56-61	●
LA2	Employee hires and turnover by age group, gender, and region	56-61, Note 2, Full CI	●
LA3	Benefits provided to full-time employees	68-69	●
LA15	Return to work and retention rates after parental leave	Full CI	●
LA4	Employees with eith collective bargaining agreements	67-68	●
LA5	Minimum notice period regarding significant operational changes	67-68	●
LA6	Workforce represented in joint health and safety committees	78	●
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	79	●
LA8	Training on serious diseases	77	●
LA9	Health and safety topics covered in formal agreements wit trade unions	78	●
LA10	Training per employee by gender	65, Full CI	●
LA11	Programs for skills management and lifelong learning	65	●

Note2: Data related to turnover is not provided because leaving rates include those who voluntarily leave the company, expired contracts and retirements.

● Fully reported  
 ● Partially reported  
 ● Not reported  
 ● No applicable  
 CI Content Index

Standard disclosure:performance indicators		Reference	Status
LA12	Regular performance and career development reviews, by gender	65, Full CI	●
LA13	Compositions of governance bodies	23, 65-66	●
LA14	Ratio of basic salary and remuneration of women to men	65-66	●
Human rights indicators			
HR1	Investment agreements that include clauses incorporating human rights concerns	47-50	●
HR2	Human rights screening of suppliers, contractors and other business partners	106-108	●
HR3	Training on human rights	Full CI	●
HR4	Incidents of discrimination	65-66	●
HR5	Freedom of association and collective bargaining	67-68, Full CI	●
HR6	Child labor	27-31, 106-108, Note 3	●
HR7	Forced labor	27-31, Note 3	●
HR8	Training for security personnel	Full CI	●
HR9	Violations of rights of indigenous people	Full CI	●
HR10	Human rights reviews and/or impact assessments	Full CI	●
HR11	Grievances related to human rights filed, addressed and resolved through formal grievance mechanisms	27-31	●

Note3: Child labor and forced labor are not risk factors for the company as our activity is very technical and all employees need to be qualified.

● Fully reported  
● Partially reported  
● Not reported  
● No applicable  
CI Content Index

Standard disclosure:performance indicators		Reference	Status
Society indicators			
S01	Implemented local community engagement, impact assessments, and development programs	106-110, Full CI	●
S09	Negative impacts on local communities	Full CI	●
S010	Prevention and mitigation measures implemented	27-31, 110, 116-121, Full CI	●
S02	Programs/Business units analyzed for risks related to corruption	27-31, 120, 140, Full CI	●
S03	Anti-corruption training	27-31, 120, 140, Full CI	●
S04	Actions taken in response to incidents of corruption	27-31	●
S05	Lobbying	116-121	●
S06	Contributions to political parties, politicians, and related institutions	27-31	●
S07	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	27-31	●
S08	Sanctions for non-compliance with regulations	Note 4	●

Note4: There have not been any significant sanctions as mentioned in the consolidated financial Statements as of 31 December 2012.

● Fully reported  
● Partially reported  
● Not reported  
● No applicable  
CI Content Index

Standard disclosure: performance indicators		Reference	Status
<b>Product indicators</b>			
PR1	Health and safety impacts along life cycle	16-21, 38-43, 70	●
PR2	Non-compliance with Health and Safety standards and regulations	16-21, 38-43, 46, Full CI	●
PR3	Product Information	16-21, 38-43, 70, Full CI	●
PR4	Non-compliance with product and service information standards	Full CI	●
PR5	Customer satisfaction	Full CI	●
PR6	Fundraising and marketing communications standards	Full CI	●
PR7	Non-compliance with marketing communications standards	Full CI	●
PR8	Complaints regarding customer privacy	Full CI	●
PR9	Sanctions for non-compliance with regulations concerning the provision and use of products and services	Full CI	●

- Fully reported
- Partially reported
- Not reported
- No applicable
- CI Content Index




## Statement GRI Application Level Check

GRI hereby states that **GESTAMP** has presented its report "SUSTAINABILITY REPORT 2012 GESTAMP" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see [www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf](http://www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf)

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 16 July 2013

  
Nelmar Arbex  
Deputy Chief Executive  
Global Reporting Initiative



The "+" has been added to this Application Level because GESTAMP has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

*The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. [www.globalreporting.org](http://www.globalreporting.org)*

*Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 24 June 2013. GRI explicitly excludes the statement being applied to any later changes to such material.*

COMMITMENT TO THE  
GLOBAL COMPACT

With this report, Gestamp Group aims to show its continuity and commitment to the principles of the Global Compact, which it joined in 2008 and became a member in 2011.


Our Group submits an annual progress report.

These reports are available on the Global Compact website: [www.pactomundial.org](http://www.pactomundial.org)

The following table shows the correspondence between the principles of the Global Compact and GRI sustainability indicators in order to facilitate the identification of these principles in this report.



Aspects	Global Compact Principles	GRI Indicators
Human Rights	1. Businesses should support and respect the protection of internationally proclaimed human rights within their scope of influence	LA4, LA6-LA8, LA13, LA14, HR1-HR2, HR4-HR7, S05, PR1
	2. Businesses should make sure they are not involved with human rights violations	HR1-HR2, HR4-HR7, S05
Labour Rights	3. Businesses should support the freedom of association and the effective recognition of the right to collective bargaining	LA4-LA5, HR1-HR2, HR5, S05
	4. Businesses should support the elimination of all forms of forced or compulsory labour	HR1-HR2, HR7, S05
	5. Businesses should support the effective abolition of child labour	HR1-HR2, HR6, S05
	6. Companies should support the elimination of discrimination in employment and occupation	EC7, LA2, LA13-LA14, HR1-HR2, HR4, S05
Environment	7. Companies should support a preventive approach to environmental challenges	EN3-EN12, EN16-EN18, EN21-22, EN26-EN30, S05, PR1, PR3
	8. Companies should undertake initiatives to promote greater environmental responsibility	EC2, EN18, EN26, EN30, S05
	9. Companies should encourage the development and dissemination of environmentally friendly technologies	EN5-EN7, EN10, EN18, EN26-EN27, EN30, S05
Fight against corruption	10. Companies should work against corruption in all its forms, including extortion and bribery	S02-S05



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### INDEPENDENT REVIEW OF THE GESTAMP'S 2012 SUSTAINABILITY REPORT

To the Management of Gestamp:

**Scope of the work**

We have carried out the review of the content of the 2012 Sustainability Report of the Gestamp Group (hereinafter the Report).

The scope determined by the Gestamp Group (hereinafter Gestamp) for the preparation of this report is defined in the chapter "About the Report" of the accompanying Report. The Report has been prepared based on:

- The Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (version 3.1).

The preparation of the accompanying Report, as well as the information contained therein, is the responsibility of the administrative bodies and management of Gestamp. They are also responsible for defining, adapting, and maintaining the management systems and internal controls from which the information is obtained. Our responsibility is to issue an independent report based on the procedures applied in our review.

**Criteria**

Our review was carried out based on:

- The Guidelines for reviewing Corporate Responsibility Reports, issued by the Instituto de Censores Jurados de Cuentas de España (ICJCE).
- Standard ISAE 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standard Board (IAASB) of the International Federation of Accountants (IFAC), with a limited scope of assurance.

**Applied procedures**

Our review consisted in requesting information from Gestamp's corporate managers and the various managers of business groups participating in the preparation of the 2012 Sustainability Report, and in applying analytical procedures and sampling review tests as described below:

- Interviews with the Human Resources management and a selection of key management personnel involved in the preparation of the Report. The purpose of these was to obtain an understanding of the reporting process.
- Review of the reporting systems and processes for the preparation of the Report and the policies, relations and commitments of Gestamp with its stakeholders.

- Analysis of the adaptation of the structure and content of the Report as indicated in G3.1 Global Reporting Initiative (GRI).
- Review of the relevant quantitative and qualitative information, through analytical procedures and sampling review tests based on the indicators included in the Report and their adequate compilation from data supplied by information sources. Review works have been carried out in different facilities in Spain, USA, China, Germany, United Kingdom and Brazil.
- Review of coverage, relevance and consistency of the information included in the Report and the information reported and published with respect to other public information such as financial statements, management reports and press releases.

The scope of this review is considerably lower than a reasonable assurance report. Therefore, the degree of assurance is also less extensive. This report in no case should be considered an audit report.

These procedures have been applied based on the information provided in the 2012 Sustainability Report, with the perimeter and scope indicated previously in this report.

**Independence**

We have performed our work in accordance with the standards of independence required by the Code of Ethics of the International Federation of Accountants (IFAC).

**Conclusions**

As a result of our review of the 2012 Sustainability Report, with the previously-described scope, we conclude that:

- No matter came to our attention that would lead us to believe that the Report has not been prepared according to the Guidelines included in the Global Reporting Initiative (GRI 3.1) Preparation Guide for Sustainability Reports, as it is stayed on it.
- No matter came to our attention that would lead us to believe that the remaining information and indicators included in the accompanying Report contain significant errors.

This report has been prepared solely for the management of Gestamp, in accordance with the terms and conditions set out in our engagement letter.

ERNST & YOUNG, S.L.

(Free translation from the Original Report on Independent Review in Spanish dated 18<sup>th</sup> June 2013. In case of any discrepancy, the Spanish version always prevails.)

## PUBLISHED BY

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For any clarification, queries or suggestions related to report:

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