



# SUSTAINABILITY REPORT



# 2020



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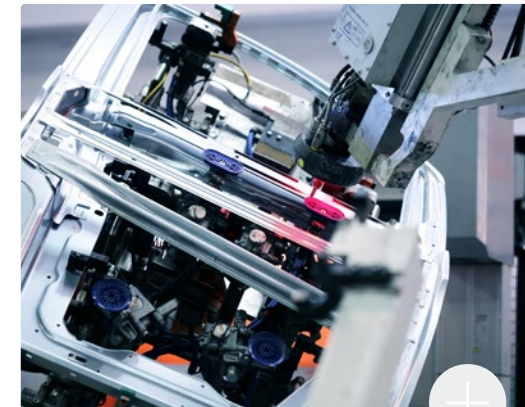
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# LETTER FROM THE CHAIRMAN



“In these complicated times, our values as a family company, which underpin our corporate principles and values, must guide our Group’s long-term commitment to the project.”

The year 2020, will always be remembered for the terrible world-wide impact that COVID-19 had on human life and the economic and social crisis that ensued and from which it will take years to fully recover.

Only a solid and continuous collaboration policy among authorities, political parties, business organisations and social representatives will allow us to successfully emerge from this historically unprecedented crisis.

At the beginning of the pandemic, we at Gestamp focussed on designing and implementing a set of anti-COVID protocols of the highest standard in all our companies and offices around the Globe. These protocols protected our workers and their families, while also helping us to ease certain measures and subsequently resume activity when the conditions allowed us to do so.

In addition to the mandatory use of material means and organisational measures, we also implemented flexibility measures to ensure the safety of our employees. Due to the success of these measures, we will continue making use of these in order to guarantee the health of our employees and the work and personal conciliation of our employees whenever possible.

With the greatest sorrow, I would like to remember the 9 Group workers from India, Brazil, Turkey, Portugal, Hungary, US and Mexico who died throughout the year as a result of COVID-19. I send my love and condolences to their families.

We will of course continue to do our part by donating healthcare material and manufacturing medical equipment in our facilities. We will also remain actively committed to participating in national and international initiatives that contribute to improving society, particularly in the most deprived areas.

Since the end of March, when the production and healthcare systems around the world practically collapsed, we energetically worked on adopting all kind of measures aimed at drastically reducing our expenses and investments in an attempt to adjust to an unprecedented fall in revenue.

Through the means of opening new lines of finance and the increasing of existing ones, an aggressive reduction in CAPEX, the control of our expenses and the adoption of temporary activity suspension measures in all our facilities, together with the adoption of other restructuring measures, we have been able to guarantee during these difficult times, the survival of the Group in the short and medium term.

Maintaining the effectiveness of these measures, together with the gradual return to activity in all the geographic locations in which we operate, has helped us to end the 2020 financial year, despite being far from our initial expectations, in such a way that

we can face the future with renewed enthusiasm and confidence in meeting the challenges set out in our Business Plan 2020/2025.

All of this, would not have been possible without the extensive work done by our teams throughout the world that were forced to use all their talent and dedication in new and very adverse circumstances full of uncertainty.

I have always thought that, in these complicated times, our values as a family company, which underpin our corporate principles and values, must guide our Group’s long-term commitment to the project.

Therefore, together with the difficult measures that we have been forced to adopt to guarantee our survival, we have continued to commit this year to a collaborative strategy with our clients in developing the enormous potential that electric vehicles entail for the sector. A very significant part of our investments and the effort of our R&D teams is geared towards achieving those objectives.

We have also focussed our efforts on developing an ambitious sustainability project in the Group, as we are aware of the need to fight climate change and to meet the 2050 European decarbonisation strategy. In this regard, the Science-Based Target initiative (SBTi) has approved this year our commitment to reducing CO<sub>2</sub> emissions, meaning that we are among the first TIER1s in the world and the first Spanish company in the automotive sector to achieve it.

2021 appears to be a year of recovery for the sector, albeit without achieving the pre-pandemic volumes, and one in which Gestamp will concentrate on meeting its commitments with particular focus on generating cash flow. With this aim, we will not lose sight of the company’s future and we will continue to focus our efforts in R&D supported by the EU Next Generation funds and the execution of our ATENEA Transformation Plan.

ESG matters will continue to gain relevance within the Group and we will continue to drive our efforts towards achieving the principles of the Global Compact and the UN Sustainable Development Goals to achieve a better and more sustainable world.

**FRANCISCO J. RIBERAS MERA**  
EXECUTIVE CHAIRMAN OF GESTAMP AUTOMOCIÓN S.A.



# GESTAMP GROUP

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WE ARE





# About us

Present across more than 20 countries, at Gestamp we are dedicated to the design, development and manufacturing of metal components and assembly parts for automobiles. We are committed to excellent design and innovation, manufacturing products with a view to making vehicles increasingly safer, lighter and more sustainable.

Since we started out in 1997, Gestamp has gone from being a small local stamping supplier to becoming a global corporation present in all the main automobile manufacturing hubs, so that we are always close to our clients.

At Gestamp we strive for safety and reduced weight in every sense. Through innovation and production, offering our clients safer, lighter-weight parts, but also in our daily routines, ensuring a safe working environment and promoting clean business by reducing our CO<sub>2</sub> emissions as much as possible.

With a long term vision, we endeavour to keep the values and corporate culture alive. At Gestamp our approach to the future is based on innovation, competitiveness and sustainability.



## OUR VISION

To be the automotive supplier most renowned for our ability to adapt our business to create value for the customer, while maintaining sustainable economic and social development.

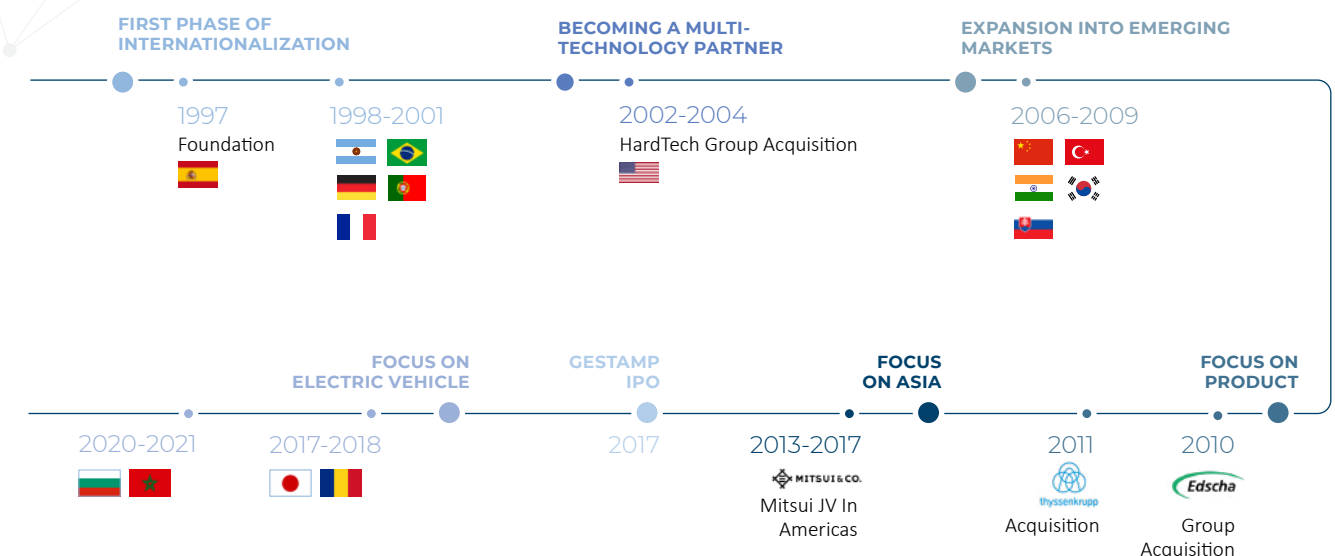
## Strong Geographic and Client Diversification



Trusted & Long-standing Relationships -  
Manufacturing **for over 900**  
**Vehicle Models**



## Solid business track record



LEADERSHIP

TECHNOLOGY

GLOBALIZATION

OPERATIONAL EXCELLENCE

FINANCIAL ROBUSTNESS



# Value creation

## Our resources and investments

### + Economic

Financial  
Capex  
**€ 560 M**

Innovation  
R&D  
**13**  
centres

**1,600**  
people involved in  
R&D projects

Industrial  
**113**  
production plants in  
24 countries

**96**  
Hot stamping lines

Industria 4.0:  
towards a *Smart Factory*

### + Environmental

Efficient use of natural resources

**90%** ISO 14001 and/or EMAS  
certified plants

**40** plants participating in  
the Energy Efficiency Project

### + Social

Our professionals  
**40,811**  
employees

**18%**  
women

**€ 10.6 M**  
investment in training

**672**  
improvements in Occupational Health & Safety

Relationship with  
local communities

**140**  
social actions carried  
out in communities

**2,437**  
employees participating  
in volunteer actions

### + Governance

Ethics and regulatory Compliance

- Governing bodies aligned with CNMV Good Governance
- Recommendations
- Code of Conduct and complaint channels
- Development of internal policies and regulations for regulatory compliance
- Crime Prevention Model

## Business model

### Strategic axes

Globalization  
Technology

### Strategic pillars

Financial strength  
Operational excellence

**Gestamp**

WORKING FOR  
A SAFER AND  
LIGHTER CAR

### Strategic Sustainable Plan 2021

Aligned and committed with the main  
international and national sustainability initiatives



United Nations  
Global Compact



SUSTAINABLE  
DEVELOPMENT  
GOALS



LIGHTWEIGHT



SAFETY



## Creating value for stakeholders

### Our professionals

**€ 1,336 M** in employee salaries and benefits

**15.3 h** of average training per employee

Gestamp Occupational Safety and Health  
System at **100%** plants

**87%** of key positions covered by internal  
promotion

### Clients

**€ 7,455.8 M** turnover

**307** innovation projects developed in  
collaboration with our clients

### Suppliers

**€ 4,501 M** in distributed value

**85%** local suppliers

### Investors

**Dividend: 30%** of net profit

**Evaluated by 12** rating agencies under ESG criteria

### Public administrations

**€ 22.7 M** Corporate tax income

### Local communities

**45%** of the social action contribution addressed to health  
projects, **29%** education y **21%** socio-economic development

**427** apprentices and internships  
supported

### Environment and climate change

**13 GWh** saved = **5,400 Tn** CO<sub>2</sub> eq. emissions avoided

↓ Continued decline in water consumption index

**98% of our total waste** was in the final  
destination of recycling, reuse or energy  
recovery



# Where we are

## GESTAMP IN THE WORLD



24

COUNTRIES



113

PRODUCTION  
PLANTS



13

R&D  
CENTRES

## AMERICA

United States

9

1

Mexico

7

Brazil

8

1

Argentina

5

## AFRICA

Morocco

1

## EUROPE

Spain

22

2

Portugal

3

France

7

2

UK

7

1

Germany

6

2

Sweden

1

1

Czech Republic

3

Poland

2

Slovakia

2

Hungary

1

Russia

4

Romania

1

Bulgaria

1

Turkey

5

## ASIA

China

11

2

India

3

Thailand

1

South Korea

2

Japan

1

1



# What we do

## Technology

At Gestamp we have always accompanied our clients, adapting to their technological needs. We began as a company specialising in cold stamping, and have become a multi-technology company. We have had an ongoing commitment to incorporate new technologies into our manufacturing processes and to develop traditional technologies.

We currently offer a wide range of technologies for transformation of metal parts, so that we can work with diverse formats and materials. Our production processes cover the entire value chain, from the internal capacity of manufacturing of presses and dies, to finishing technologies, and a wide range of forming technologies, as well as welding and assembly.

A wide range of technologies that meet industry requirements in order to strike a proper balance between:



SAFETY



PERFORMANCE



LIGHTWEIGHT



COST

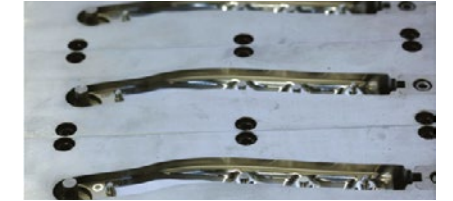
HOT STAMPING



HYDROFORMING



MOULDING



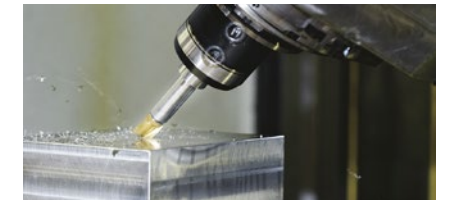
COLD STAMPING



WELDING AND ASSEMBLY



MACHINING



HSS STAMPING



LASER WELDED BLANKS



REMOTE LASER WELDING 3D



ROLLFORMING



PATCHWORK BLANKS



TOOLING



GES-MULTISTEP



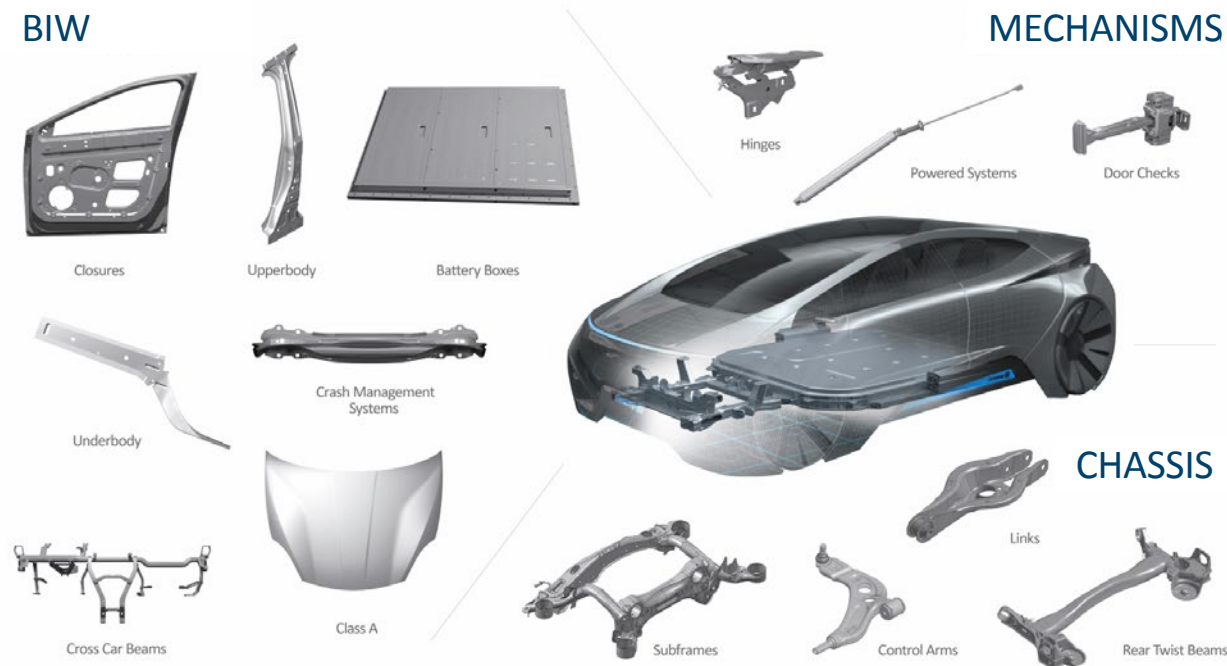
CLICK ON EACH  
TECHNOLOGY TO KNOW  
HOW IT WORKS



# What we do

## Products

At Gestamp we have a wide range of products and many of them are essential for the structural integrity of vehicles. Gestamp's activities include all the processes of the manufacture of the components, covering the entire value chain. From the creation of presses and dies to the manufacturing and finishing of the product.



## DIES, PRESSES AND OTHER PRODUCTS AND SERVICES



SAFETY



PERFORMANCE



COST



We have broad internal capabilities to develop and manufacture dies, covering the entire value chain: design, machining, construction, tuning, prototyping and monitoring.

We also have our own press construction services and we offer engineering technical services that are independent from the specific manufacturing programmes.

Furthermore, Gestamp sells the steel generated through the manufacturing processes to secondary markets.

## BODY



SAFETY



LIGHTWEIGHT



Body products (Body-in-White or BIW) form the structure that supports the vehicle and protects the driver and other passengers.

The performance of these parts is **key in terms of safety and lightening of weight.**

[LEARN MORE ABOUT THIS PRODUCT](#)

## CHASSIS



SAFETY



PERFORMANCE



LIGHTWEIGHT



The chassis comprises the under body of the vehicle and includes systems, frames and related parts, such as front and rear axles and couplings, control arms and integrated couplings, which connect the body to the powertrain of a vehicle and support its weight.

These structures are essential for the dynamics, performance and safety of vehicles and have a particular influence as regards **noise, vibrations, driving and impacts.**

[LEARN MORE ABOUT THIS PRODUCT](#)

## MECHANISMS



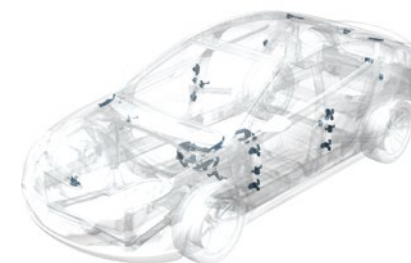
SAFETY



PERFORMANCE



LIGHTWEIGHT



These are mechanical components, such as hinges for doors, bonnets and boot doors, door checks and door hinges, which enable users to open and close a vehicle's bonnet, side doors, rear doors and boot, as well as pedal systems and hand brakes. Mechanisms also include powered systems that allow vehicle doors to open and close electrically and by means of remote activation.

These components offer great functionalities and have an important role in **safety and comfort.**

[LEARN MORE ABOUT THIS PRODUCT](#)



# 2020 Milestones





# SUSTAINABILITY STRATEGY

+ 22 OUR  
APPROACH

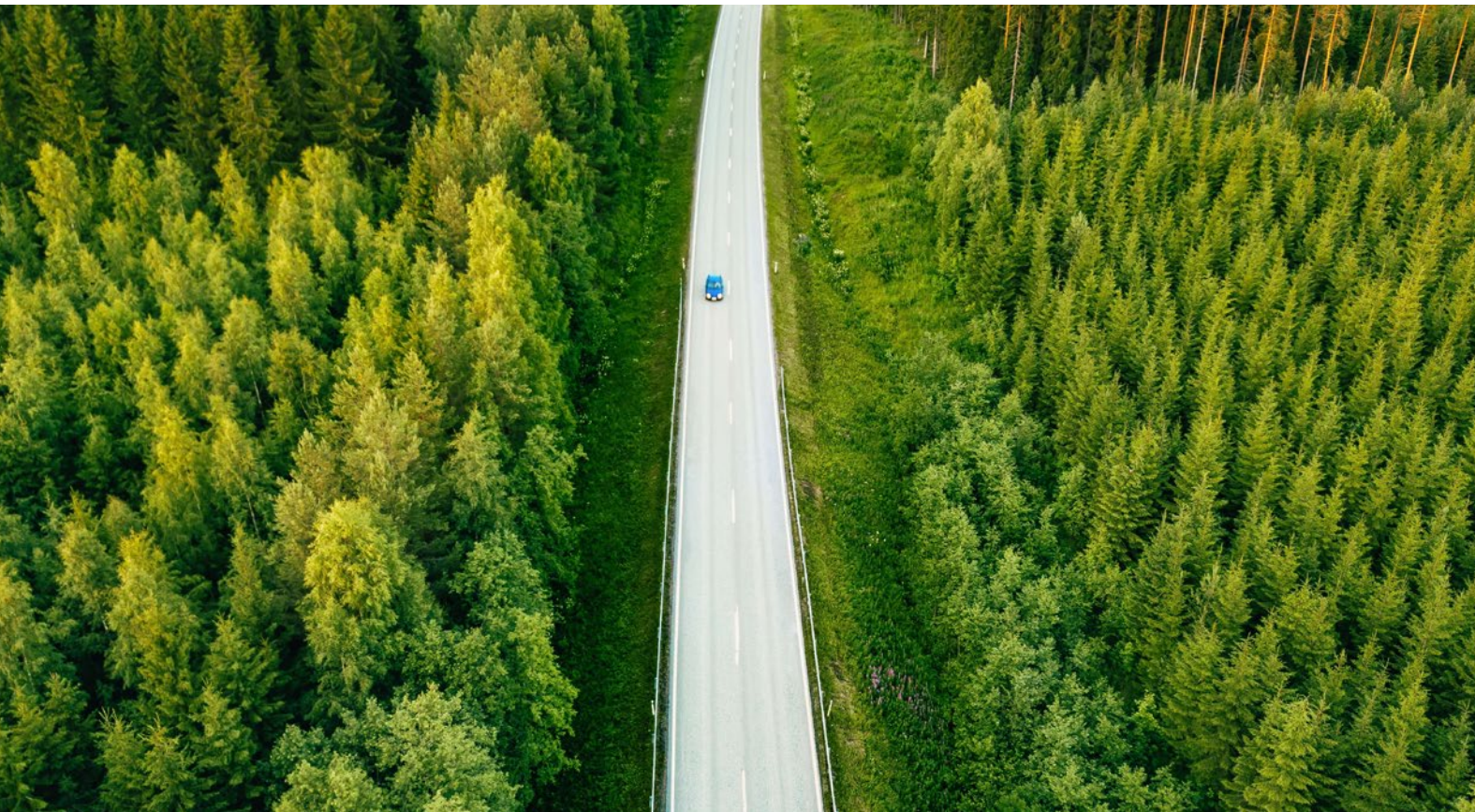
+ 24 SUSTAINABILITY  
MODEL

+ 26 RELATED  
POLICIES

+ 26 STAKEHOLDERS

+ 28 STRATEGIC  
PLAN





# Our approach

Sustainability at Gestamp is at the heart of our corporate principles and we view it as a long-term business model that seeks to create value for all stakeholders.

We pursue economic, social and environmental goals in equal parts and have a strategy in place to meet the main market standards and to align with the trends, demands and interests of our stakeholders to harness new business opportunities.

The value of Gestamp, one of the largest international automotive component groups, lies in providing global solutions for the vehicles of today and tomorrow. Our parts are essential for the safety, weight, dynamics, stability and comfort of vehicles.

We are committed to making vehicles increasingly safer and lighter.

- Safety by creating car structures that protect and save people's lives in the event of a collision.
- The lightening of the weight of the parts produced in order to improve energy consumption and to reduce the environmental impact of vehicles.

## We promote sustainability at three levels



- **THE ORGANISATION**  
Fostering corporate responsibility and sustainability in the different areas of the company.
- **THE VALUE CHAIN OF THE AUTOMOTIVE SECTOR**  
Aligning ourselves with the sustainability policies and strategies of our clients and seeking the same level of commitment from our suppliers.
- **SOCIETY**  
By participating in different forums and organisations and by fostering actions for the economic and social development of the communities where we work.

## Gestamp and Sustainable Development Goals



### STRATEGIC OBJECTIVES

**SDG 3 Good Health and Well-being**

Through innovation, we help design and develop components that make vehicles safer in the event of an accident. Improving the health and safety of people who work in our facilities is also an on-going goal of the Group.

**SDG 12 Responsible consumption and production**

Optimising resources, durability and recyclability is present in our production process and products.

**SDG 13 Climate Action**

The energy control processes at our plants and our effort to make our parts lighter contribute to reducing greenhouse gas emissions.

### PRIORITY OBJECTIVES

**SDG 4 Quality education**

We promote training for our employees and the young people in our community, teaching them key skills for our business and for demands of work in the future.

**SDG 8 Decent work and economic growth**

We offer stable employment for our employees and we contribute to creating and maintaining it in our surroundings.

**SDG 17 Partnerships for the goals**

We collaborate with our stakeholders to achieve better results together.



# Sustainability Model

WORKING FOR A  
**SAFER AND LIGHTER CAR**

WHAT DOES GESTAMP  
UNDERSTAND BY SUSTAINABILITY?

➤ AS PERMANENCE  
OVER TIME

➤ BEING AWARE  
of the needs and  
expectations of our  
stakeholders

➤ PURSUING  
equally important  
economic, environmental  
and social objectives

➤ ACTING  
based on our corporate  
principles and Code of  
Conduct

## ACTION FRAMEWORK

### INTERNALLY

<b>OUR VISION</b>	<b>CORPORATE PRINCIPLES</b> Client, Operational Excellence, Innovation, Sustainability and People	<b>CODE OF CONDUCT</b>	<b>CODE OF CONDUCT</b> Sustainability, Health and Safety, Environment, Conflict Minerals, among others
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### EXTERNALLY

<b>PRINCIPLES OF THE GLOBAL COMPACT AND SUSTAINABLE DEVELOPMENT GOALS OF THE UNITED NATIONS</b>	<b>MAIN SUSTAINABLE STANDARDS:</b> Global Reporting Initiative, Carbon Disclosure Project, LBG.	<b>CSR REQUIREMENTS/ SUSTAINABILITY OF VEHICLE MANUFACTURERS</b>	<b>BENCHMARKING THE BEST BUSINESS PRACTICES ON CSR PARTICIPATION ON MAIN ESG RATINGS</b>
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## GOVERNANCE BODIES

### GENERAL SHAREHOLDERS' MEETING

approves non-financial information

### BOARD OF DIRECTORS AND THE AUDIT COMMITTEE

ensure compliance with the Sustainability Policy

### SUSTAINABILITY AREA

coordinates and fosters sustainability in  
the organisation



### STRATEGIC BUSINESS PLAN OF GESTAMP

### OTHER ORGANISATIONAL AREAS

manage and control key matters under  
their competency

## STAKEHOLDERS +

EMPLOYEES	CLIENTS	SUPPLIERS	FINANCIAL COMMUNITY	REGULATORY BODIES	CIVIL SOCIETY	OPINION MAKERS

EXPECTATIONS AND NEEDS

## DIMENSIONS

### ECONOMIC

- + Financial strength
- Operational Excellence
- Innovation

### ENVIRONMENTAL

- + Environmental management and circular economy
- Climate change

### SOCIAL

- + Our professionals
- Health and Safety
- Local communities

### GOVERNANCE

- + Governing bodies
- Risk management
- Ethics and compliance



### STRATEGIC SUSTAINABILITY PLAN

Objectives Actions Measuring Reporting

SUSTAINABILITY  
REPORT





# Group Policies

The company's Sustainable Management Model is based on the main Group Policies, which are posted on the Gestamp website in several languages and sometimes communicated to all the employees in their local language.

- Company By-Laws
- Code of Conduct
- Sustainability Policy
- Environmental Policy
- Health and Safety Policy
- Human Rights Policy
- Conflict Mineral Policy
- Anti-Corruption and Anti-Fraud Policy
- Regulations of gifts and tokens of appreciation
- CSR Requirements for Suppliers

- Policies and Regulations of the Governing Bodies:
  - Regulations of the Board of Directors
  - Regulations of the General Shareholders' Meeting
  - Gestamp Internal Code of Conduct Concerning the Securities Markets
  - Dividend Policy
  - Policy for communication and contact with shareholders, investors and proxy advisers
  - Remuneration Policy for Directors


- Internal Quality Assurance Policy
- Internal Policies and Regulations on Communication and Institutional Relations

The contents and systems for managing some of these policies are discussed in the relevant chapters of this Sustainability Report.

# Relationships with Stakeholders

We are aware that our stakeholders are the ones that define our business development. It is our priority to know about and meet their needs and expectations based on our solid track record of complying with regulations, internal controls and risk management. We foster not only transparent, constant and fluent communication, but also a long-lasting and close relationship of trust.



STAKEHOLDERS	OUR COMMITMENT	CHANNELS OF COMMUNICATION
 <b>EMPLOYEES</b> + OUR PROFESSIONALS + HEALTH AND SAFETY	Our employees are a key asset in the development and growth of our business. <ul style="list-style-type: none"> <li>• We respect their rights.</li> <li>• We provide a safe and healthy work environment.</li> <li>• We foster their professional development and the correct undertaking of their work through training activities.</li> <li>• We offer stable employment and fair wages.</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate intranet: One Gestamp</li> <li>• Code of Conduct</li> <li>• Direct contact at each centre</li> <li>• Internal newsletters</li> <li>• Suggestion boxes</li> </ul>
 <b>CLIENTS</b> + FINANCIAL STRENGTH + OPERATIONAL EXCELLENCE + INNOVATION	The foundations of our business lie in obtaining and maintaining a client portfolio based on solid, honest and long-lasting relationships. <ul style="list-style-type: none"> <li>• We create products that meet and exceed the required quality and safety characteristics and levels at a competitive price.</li> <li>• We are located close to the areas where clients have their plants, which ensures supply.</li> <li>• We are a trade partner with which to collaborate on various production stages and to progress towards more innovative and secure final products that are environmentally responsible and smart, meeting the demands of society.</li> <li>• We guarantee compliance with human rights throughout the value chain.</li> </ul>	<ul style="list-style-type: none"> <li>• Daily operating contact at each plant</li> <li>• Annual corporate meetings</li> <li>• Client audits</li> <li>• Corporate website</li> </ul>
 <b>SUPPLIERS</b> + FINANCIAL STRENGTH + OPERATIONAL EXCELLENCE + INNOVATION	Our suppliers are essential in ensuring the profitability, quality and reliability of our products. <ul style="list-style-type: none"> <li>• We build stable and long-lasting relationships that guarantee a close commercial relationship based on long-term trust, commitment and profitability.</li> <li>• We have a supplier management system that helps us to obtain more information, control possible risks and to establish our own quality and corporate social responsibility standards.</li> <li>• We facilitate an open channel of communication to improve their products and services, as well as to simplify and harmonise procedures.</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier Portal</li> <li>• Code of Conduct</li> <li>• Direct contact at local level</li> </ul>
 <b>FINANCIAL COMMUNITY</b> + FINANCIAL STRENGTH	As a listed company and based on Good Governance and our Corporate Principles: <ul style="list-style-type: none"> <li>• We create long-term value.</li> <li>• We facilitate information transparency and we foster continuous dialogue through the current channels of communication with the entire financial community: shareholders, investors, analysts and rating agencies.</li> </ul>	<ul style="list-style-type: none"> <li>• Reports and conference calls on the quarterly financial results</li> <li>• Corporate website, Investor and Shareholder section</li> <li>• Investor Relations Communication Area (telephone and email)</li> <li>• Conferences, roadshows, site visits, meetings and ad-hoc calls</li> </ul>
 <b>REGULATORY BODIES</b> + GOVERNING BODIES + ETHICS AND REGULATORY COMPLIANCE	In our relationship with public authorities and regulatory bodies: <ul style="list-style-type: none"> <li>• We comply with the current legislation in each country.</li> <li>• We create employment and wealth.</li> <li>• We strengthen the production and business fabric.</li> <li>• We settle the corresponding tax liabilities.</li> <li>• We invest in R&amp;D.</li> </ul>	<ul style="list-style-type: none"> <li>• Continuous communication at a local, divisional and corporate level</li> <li>• Corporate website</li> </ul>
 <b>CIVIL SOCIETY</b> + LOCAL COMMUNITIES	Our contribution is fundamentally undertaken through social, industrial, environmental and academic organisations. <ul style="list-style-type: none"> <li>• We generate a positive impact in our surroundings through economic impetus, job creation and social development in collaboration with NGOs and Foundations.</li> <li>• We collaborate with universities, and vocational and business centres through training programmes that train local people, improve employability and aid the creation of an industrial culture.</li> </ul>	<ul style="list-style-type: none"> <li>• Communication at a local level</li> <li>• Participation in forums and in business and social associations</li> <li>• Corporate website</li> <li>• Social Networks</li> </ul>
 <b>OPINION MAKERS</b> + LOCAL COMMUNITIES	The media, opinion leaders and experts in the automotive sector strengthen and protect Gestamp's reputation. <ul style="list-style-type: none"> <li>• We provide different channels and strategies of internal and external communication, press, marketing and institutional relations through which we collect information relating to our industry.</li> <li>• We consolidate relationships with relevant leaders, experts and members of the public.</li> <li>• We publicise information on our main milestones as a group.</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate website</li> <li>• Relationship with the media</li> <li>• Participation in sector forums, talks and events</li> <li>• Events with opinion leaders</li> <li>• Management of business social networks</li> </ul>



# Strategic plan

Based on the materiality assessment, the 2021 Strategic Sustainability Plan has been drawn up, which is in line with the Business Plan and seeks to increase the company’s profile in terms of Sustainability. This Plan has 6 strategic areas, 19 lines of action and 51 specific actions.

## Strategic areas and lines of action

### INTEGRITY AND RESPONSIBILITY

Act with integrity and responsibility, anticipating and managing risks and opportunities.

Ethics and Corporate Culture	Corporate Governance	Risk Control and Management
<div><div></div><div>GOVERNING BODIES</div></div>	<div><div></div><div>ETHICS AND REGULATORY COMPLIANCE</div></div>	
96%	108	<div><div></div></div>
Compliance with the 55 recommendations of the Code of Good Corporate Governance that apply to us	Reports received over the channels in place for the Code of Conduct	Approval of the Human Rights Policy, Anti-Corruption and Anti-Fraud Policy and updated version of the Crime Prevention Manual

### OPERATIONAL EXCELLENCE

Increase the Group’s competitiveness through operational excellence based on efficiency, quality, occupational health and safety, technology and innovation.

Efficiency and quality – One Gestamp	Advanced technology and innovation	Health and Safety	Supplier management
<div><div></div><div>OPERATIONAL EXCELLENCE</div></div>	<div><div></div><div>HEALTH AND SAFETY</div></div>	<div><div></div><div>INNOVATION</div></div>	
13 GWh	40	672	
Energy consumption reduced compared to 2019	Plants have energy efficiency projects (+20%)	Improvement measures through Gestamp Health and Safety Indicator (GHSI)	
0	<div><div></div></div>		
Fatal accidents since 2017	New supplier risk management system		

### THE BEST PROFESSIONALS

Develop employees’ potential so that they can help achieve the Group’s objectives.

Talent management	Knowledge management	Continuous training
<div><div></div><div>OUR PROFESSIONALS</div></div>		
40,811	18%	1.7%
Employees as of 31 December	Women, and 17.7% are women in middle management positions	Of the total workforce are employees with some degree of disability
69.5%	15.3	82
Of employees are covered by a collective bargaining agreement	Training hours on average per year and per employee (average workforce)	Work sites have local plans and specific measures to foster equal opportunities



### REDUCE ENVIRONMENTAL IMPACT

Reduce the environmental impact on both operations and products.

Environmental management	Efficiency in the use of natural resources and in waste management	Co-development of more sustainable products
<div><div></div><div>ENVIRONMENTAL MANAGEMENT</div></div>	<div><div></div><div>CLIMATE CHANGE</div></div>	
90%	98%	613,066 Tn de CO <sub>2</sub>
Of production plants certified according to ISO 14001 and/or EMAS	Of total waste ended up recycled, reused or recovered as energy	Equivalent generated per activity (Scope 1 and 2)

### DEVELOPMENT OF LOCAL COMMUNITIES

Strengthen relations with the local communities where it conducts business.

Common strategy on social action	Alliances with third parties	Youth employment training	
<div><div></div><div>LOCAL COMMUNITIES</div></div>			
140	1,360,914 €	2,437	427
Social initiatives carried out in the communities	Social contribution	Employees engaged in volunteer work	Apprentices and interns

### TRANSPARENCY IN THE COMMUNICATION WITH OUR STAKEHOLDERS

Strengthen relations with stakeholders and, as a consequence, improve the company’s reputation with them.

Group positioning	Management of needs and expectations of our stakeholders	Management of communication with our stakeholders		
<div><div></div><div>GESTAMP GROUP</div></div>	<div><div></div><div>SUSTAINABILITY STRATEGY</div></div>	<div><div></div><div>OUR PROFESSIONALS</div></div>	<div><div></div><div>LOCAL COMMUNITIES</div></div>	<div><div></div><div>APPENDIX</div></div>
248,542	45	10,897		
Intranet visits per month on average	Speaking opportunities on key issues	Average monthly users on the intranet		





# ECONOMIC DIMENSION

+ 32 FINANCIAL  
STRENGTH

+ 46 OPERATIONAL  
EXCELLENCE

+ 68 INNOVATION



# Financial strength

- Evolution of business and results **32**
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## Evolution of business and results

### Macroeconomic context and sector evolution

As mentioned before, during 2020, COVID-19 virus spread worldwide and was declared pandemic by the World Health Organization on March 11, 2020. In this context, the global economy slowed down -3.5% in 2020, as stated in the January 2021 World Economic Outlook (WEO) forecast. This contraction is better than initially expected (0.9 percentage point higher than October 2020 WEO's expectations) reflecting a stronger-than-expected momentum in the second half of 2020.

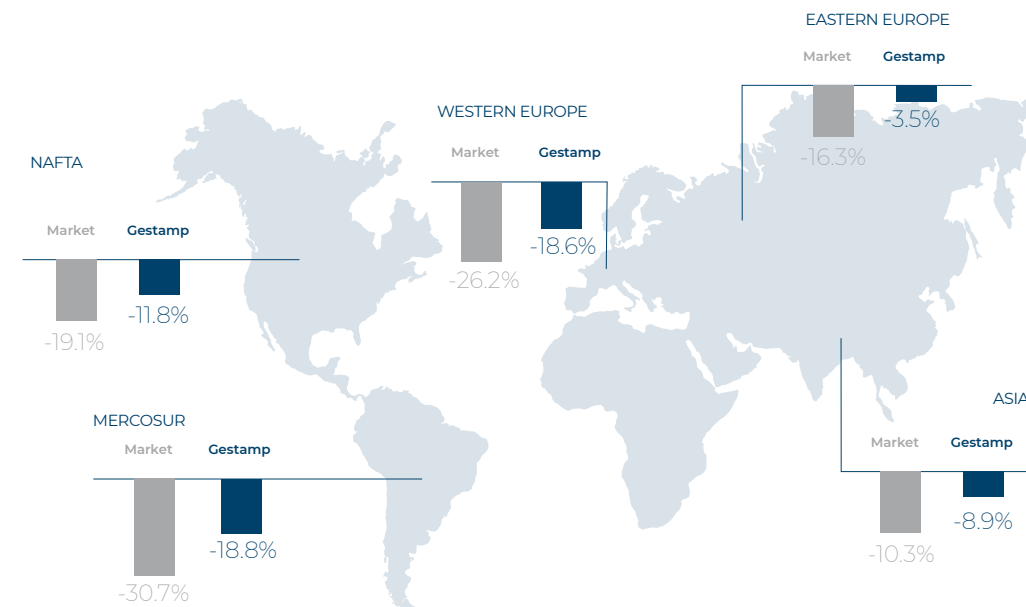
The auto sector experienced a similar trend in 2020, especially impacted in Q2, with a production volume decline of -15.6% in Gestamp's footprint (according to IHS as of February 2021). Gestamp slightly outperformed the market production volume growth on a constant currency basis by 2.0 percentage points (in Gestamp's footprint – IHS data as of February 2021) impacted by geographical mix (less exposure to Asia) but with an 7.8 p.p. outperformance on a weighted basis. Gestamp outperformed the auto market in all the regions in which it is present.

During 2020, Mercosur (-30.7%) and Western Europe (-26.2%) were the two regions with the strongest declines, followed by NAFTA (-19.1%) and Eastern Europe (-16.3%). As seen in previous quarters, Asia was the best performing region with a decline of -10.3%.

LEARN MORE ABOUT EVOLUTION  
OF RESULTS



### GESTAMP REVENUE GROWTH AT CONSTANT FX VS. MARKET PRODUCTION GROWTH IN GESTAMP MARKETS

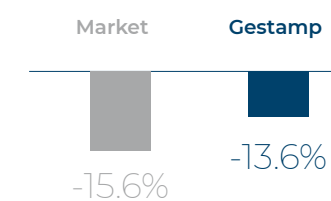


Note: Gestamp's growth at constant FX used for comparability with production volumes. Market production volume growth is based on countries in Gestamp's production footprint (IHS data for FY 2020 and Q4 2020 as of February 2021). Western Europe data includes Morocco in line with our reporting.

According to IHS (as of February 2021), global light vehicle production is expected to increase by 13.7% in 2021E and to continue growing but at a lower rate of 4.4% in 2022E across Gestamp's production footprint.

During the year, electrification has gained a major boost in order to fight the economic damage of the COVID-19. The acceleration of electrification is a reality since a few years ago, as emission standards are tightening globally and top-picks like sustainability are gaining massive importance. For most OEMs transition to electrified platforms is well underway. Gestamp is well positioned to take advantage of these trends given our focus on lightweight solutions and new products for EVs (e.g. battery box).

### TOTAL IN FY 2020



+2.0  
p.p.

**Outperformance of 7,8  
p.p. on a weighted basis  
in FY 2020**



€ 7,455.8 M

REVENUES

-17.8% (2019)

## Financial results overview

The 2020 financial year was clearly marked by the pandemic declared by the World Health Organisation due to COVID-19. Revenues decreased by -17.8% in 2020 reaching €7,455.8 million, implying a -13.6% decrease at constant FX, outperforming the market by two percentage points (compared to market production volume contraction in Gestamp's production footprint – IHS data as per February 2021 of -15.6%). In terms of profitability, EBITDA excluding the impact from the transformation plan in 2020 reached €757.3 million (or €667.5 million including the transformation plan) with an implied decline of -29.3% when compared to 2019 (-25.6% at constant FX). EBITDA margin excluding the impact of the transformation plan stood at 10.2% in 2020 (9.0% including the transformation plan) with a solid recovery recorded over the second half of the year thanks to the efficiency measures implemented in the first half of the year to mitigate the impact from COVID-19 and the benefits from the Transformation Plan. The reported net loss for the period (excluding the impact from the transformation plan) reached €71.2 million due to the reported EBITDA drop, negative forex losses and minority losses.

Due to the COVID-19 impact, the year has progressively improved since its start. Revenue growth at constant forex in H2 stood at 3.5% compared to the same period last year, leading to a year-on-year EBITDA increase of 5.1%. As a result, EBITDA margin has already reached 12.3% in H2.

Gestamp moderated its capital expenditure in 2020, in line with its continued effort to reduce investments. Capital expenditure decreased to 6.6% of revenues (excl. IFRS 16) in 2020. On a comparable basis, excluding IFRS 16, Gestamp reduced total capital expenditure by €302.3m from €796.1m in 2019. Capital expenditures stood at €493.8m (excl. IFRS 16) and €560.4 million including the impact from IFRS 16.

Capital expenditures include mainly growth, recurrent and intangible capital expenditures. Growth capital expenditures defined as capital expenditure on greenfield property, plant & equipment, major plant expansions and new customer products/technologies. Recurrent capital expenditures mainly include investments to replace existing programs and expenditures on the maintenance of our production assets. Lastly, intangible capital expenditures include a part of the Group's investments in R&D, among other concepts.

## Investments

Gestamp's Net financial debt as of 2020 year-end amounted to €2,057.7m when excluding the impact of IFRS 16, implying a leverage ratio (Net financial debt / EBITDA excluding the expenses of Transformation Plan) of 3.08x. Net financial debt stood at €2,485.0 million including the impact from IFRS 16 for the year ended December 31st, 2020, implying a 3.28x leverage ratio (Net financial debt / EBITDA excluding the expenses of Transformation Plan).

## Investments

MILLION EUROS	2019	2020
Growth capital expenditures	338.8	158.5
Recurrent capital expenditures	349.2	258.4
Intangible capital expenditures	108.1	76.9
Capital expenditures (excl. IFRS 16)	796.1	493.8
IFRS 16 Impact	26.4	66.6
Capital expenditures	822.5	560.4

## Main financial figures

MILLION EUROS	2019	2020	% CHANGE
Revenues	9,065.1	7,455.8	-17.8%
EBITDA (excl. Transformation Plan impact)	1,071.7	757.3	-29.3%
EBIT (excl. Transformation Plan impact)	504.0	158.3	-68.6%
Profit Before Tax (excl. Transformation Plan impact)	334.1	-63.4	
Profit attributable to shareholders (excl. Transformation Plan impact)	212.3	-71.2	
Equity	2,392.1	1,953.6	
Net financial debt	2,721.6	2,485.0	
Capital expenditure	822.5	560.4	

€ 757.3 M

EBITDA

-29.3% (2019)

€ 493.8 M

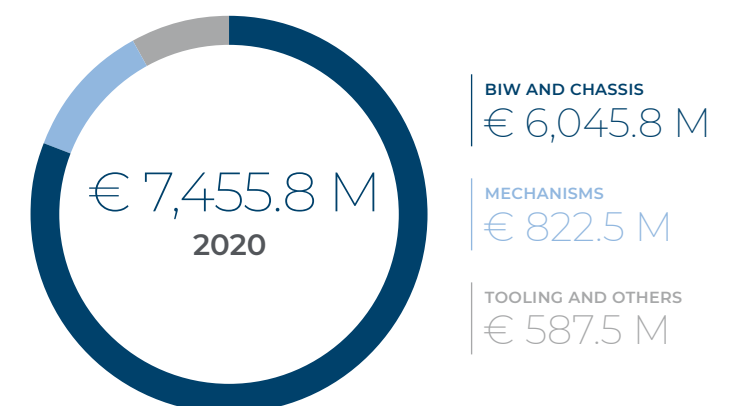
(EXCL. IFRS 16) CAPEX

6.6%

CAPEX OF REVENUES  
(EXCL. IFRS 16)

## Revenues by product

Total revenues in the period decreased to €7,455.8 million, of which Body in White and Chassis represented €6,045.8 million and Mechanisms represented €822.5million. Tooling and others stood at €587.5 million in 2020.





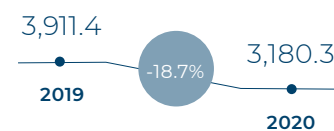
## Revenues by geographical segment (million €)

TOTAL GESTAMP	2019	2020	CHANGE
	9,065.1	7,455.8	-17.8%



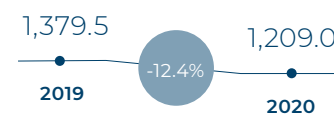
### WESTERN EUROPE

Revenues in 2020 decreased by €731.2 million, or -18.7% (-18.6% at constant FX), to €3,180.3 million from €3,911.4 million in 2019. The performance in this region has been progressively recovering over the year as market conditions improved.



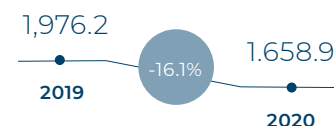
### EASTERN EUROPE

During 2020, revenues declined by €170.5 million, or -12.4% (-3.5% at constant FX), to €1,209.0 million from €1,379.5 million in the previous year. The region experienced a better performance than the market mainly thanks to Slovakia, the Czech Republic and Hungary.



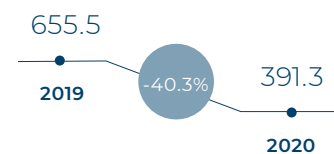
### NORTH AMERICA

During 2020, revenues decreased by €317.3 million, or -16.1% (-11.8% at constant FX), to €1,658.9 million from €1,976.2 million during 2019. Worth noting that in Q4 Mexico has shown very strong momentum.



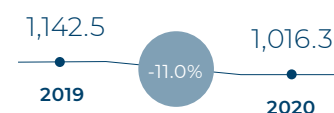
### SOUTH AMERICA

Revenues in 2020 declined by €264.2 million, or -40.3% (-18.8% at constant FX), to €391.3 million from €655.5 million in 2019. This region has shown the worst performance in the year as market conditions have been extraordinarily difficult during the year and the recovery is taking longer than in other regions.



### ASIA

Revenues in 2020 went down by €126.2 million, or -11.0% (-8.9% at constant FX) to €1,016.3 million from €1,142.5 million in 2019. Again, Gestamp has outperformed market growth in a challenging market.



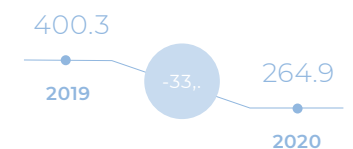
## EBITDA excl. Transformation Plan (million €)

TOTAL GESTAMP	2019	2020	CHANGE
	1,071.7	757.3	-29.3%



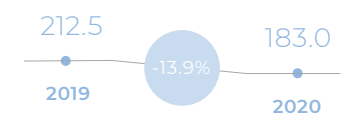
### WESTERN EUROPE

EBITDA in 2020 experienced a decrease of €135.4 million, or -33.8% (the same at constant FX), to €264.9 million from €400.3 million in 2019. Profitability has been progressively improving during the year in this region benefited from the implementation of the efficiency measures and of the transformation plan.



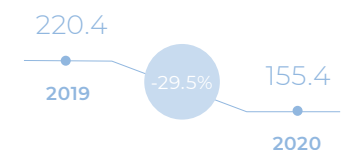
### EASTERN EUROPE

EBITDA during 2020 decreased by €29.5 million, or -13.9% (-3.5% at constant FX) to €183.0 million from €212.5 million in 2019. EBITDA margin in the region stood at 15.1% in 2020, comparing well to the 15.4% reported last year.



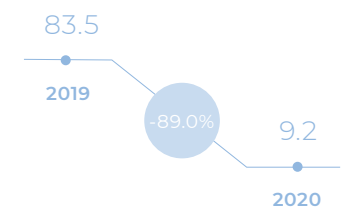
### NORTH AMERICA

EBITDA in 2020 declined by €65.0 million, or -29.5% (-24.3% at constant FX), to €155.4 million from €220.4 million during the year of 2019.



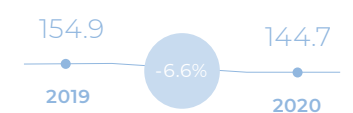
### SOUTH AMERICA

During 2020, EBITDA decreased by €74.3 million, or -89.0% (-86.0% at constant FX), to €9.2 million from €83.5 million in 2019. This is the result of the tough market conditions as well as the negative impact from FX.



### ASIA

EBITDA during 2020 decreased by €10.2 million, or -6.6% (-4.4% at constant FX), to €144.7 million from €154.9 million in 2019.





## On the stock exchange

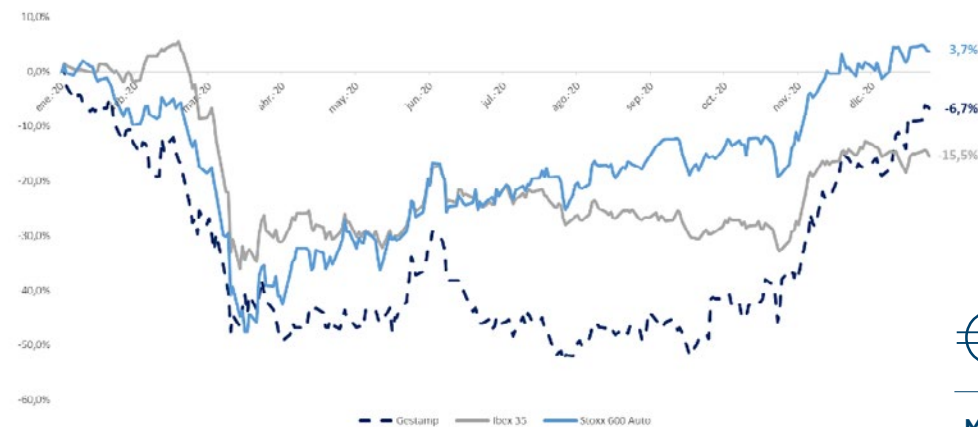
On 7 April 2017, Gestamp became a public company on the Madrid, Barcelona, Bilbao and Valencia stock exchanges and it was incorporated into the Spanish Stock Market Interconnection System (SIBE) with the ticker "GEST". The final public offering comprised 156,588,438 shares (initial offering of 155,388,877 plus the exercising of 1,199,561 shares corresponding to the greenshoe option of 23,308,331 shares). The exit price was set at € 5.60/share, entailing an initial market capitalisation of € 3,222 million.

Since December 2017, Gestamp shares have been included in the IBEX Medium Cap index.

On 31 December 2020, 72.860% of the share capital was controlled (directly and indirectly) by Acek Desarrollo y Gestión Industrial, S.L. (the industrial holding of the Riberas family), with 60.335% owned by Acek and 12.525% by Mitsui. Gestamp's total free float was 27.140% at 31 December 2020 (including the shares owned by the Board of Directors and the company's own shares operated by JB Capital Markets under a liquidity agreement).

The evolution of Gestamp shares as from 1 January 2020 is shown below:

DAILY PRICE EVOLUTION OF GESTAMP SHARES VS IBEX 35 AND AUTO STOXX



Source: Bloomberg

At 31 December 2020, Gestamp shares were down -6.7% from 1 January, implying a market capitalisation of 2,271 million euros at the end of the year. The total traded volume in 2020 corresponded to 232.5 million shares or 638.2 million euros.

The share price reached its highest point for the year on 2 January 2020 (€ 4.25) and its lowest point on 30 July 2020 (€ 1.99). In 2020, the average market share price was € 2.76.

€ 4.25

MAXIMUM PRICE PER SHARE  
REACH ON 02/01/2020

€ 1.99

MINIMUM PRICE PER SHARE  
REACH ON 30/07/2020

€ 2.76

AVERAGE MARKET SHARE PRICE

### Key figures

The Shareholder, Investor and Proxy Advisor Communication and Contact Policy is available on the Gestamp website. The principles that govern the Company's communication and contact with shareholders, institutional investors, proxy advisers and other interested parties are set out in the policy to ensure efficient, transparent and continuous communication.

In addition to enhancing shareholder trust, Gestamp has fostered the protection of their rights and promoted their interests, equal treatment and non-discrimination, as well as compliance with current legislation, among aspects. As such, the investment community has enjoyed open communication with the company through dialogue with the Investor Relations Department, the email address (investorrelations@gestamp.com) and the company's website (www.gestamp.com).

In an effort to increase its global outreach and despite the health crisis caused by COVID-19, Gestamp met with investors in more than 10 countries other than its country of origin in 2020, including the United Kingdom, Germany, France, the USA, Canada and Switzerland, to name a few.

During the year, Gestamp arranged more than 20 events such as conferences, a plant tour and roadshows, most of which took place in virtual form due to the restrictions in place as a result of the pandemic. The company also organised more than 70 calls with the investment community. In total, Gestamp had over 521 interactions with the investment community throughout 2020.

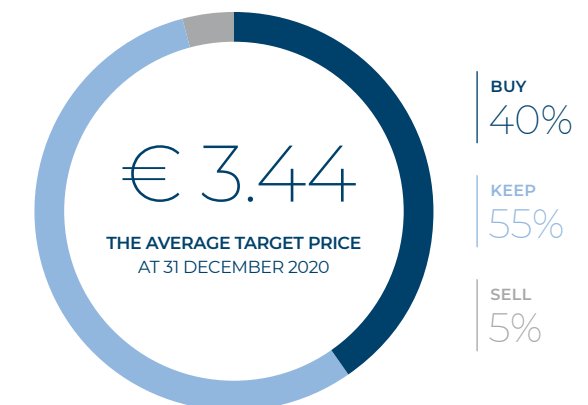
Gestamp has continued to make progress in the research analyst community to increase its visibility and the company knowledge of investors. This has led the share coverage to increase from 9 analysts during the IPO to 19 analysts the end of 2020 (compared to 22 at the end of 2019). The reduction in coverage in relation to year-end 2019 arises from the consolidation transactions seen in the sector. On the other hand, one new broker began to cover Gestamp during the year.

EUROS	2019	2020
Total number of actions	575,514,360	575,514,360
Share price at year-end	4.23	3.95
Market capitalisation at year-end (in thousands)	2,433	2,271
Maximum price	5.72	4.25
Date of maximum price	18/04/2019	02/01/2020
Minimum price	3.35	1.99
Date of minimum price	01/11/2019	30/07/2020
Average price	4.68	2.76
Total volume (in shares)	200,639,528	232,547,384
Average daily volume traded (in shares)	786,822	904,853
Total volume (in millions)	934.19	638.16
Average volume traded (in thousands)	3,663.49	2,483.11

Data as of 31 December 2020. Source: Bloomberg & BME (Bolsa y Mercados Españoles)

### DISTRIBUTION OF INVESTMENT RECOMMENDATIONS

The average target price at 31 December 2020 was € 3.44 and the distribution of investment recommendations was as follows:





## Dividend Policy

In 2018, the Board of Directors of Gestamp approved a dividend policy. Gestamp decided to distribute on an annual basis a total dividend equivalent to approximately 30% of the consolidated net profit for each year, but in two payments, anticipating part of the payment via an interim dividend:

I. A first payment, through the distribution of an interim dividend, that will be approved pursuant to a resolution of the Board of Directors to be adopted in December of each year and paid between January and February of the following year.

II. A second payment, through the distribution of an ordinary dividend, that will be approved by virtue of a resolution of the Ordinary General Shareholders' Meeting at the time of approval of the annual accounts and will be paid between the months of June and July of each year.

In this sense, in December 2019, the Board of Directors approved the distribution of a cash dividend in January 2020 against 2019 financial results. The payment took place on January 14th, 2020 for a gross amount of 0.055 euros per share. With regards of the expected second payment in July 2020, the Company decided to suspend the dividend due to the COVID-19 pandemic as announced in the Other Relevant Information published in April 2021.

Due to the negative balance of the net result in 2020 and in line with our dividend policy, it is not expected any distribution of dividends in 2021 against the 2020 financial results.

## Bonds and credit quality rating

On May 2013, the Group completed an issuance of bonds through its subsidiary Gestamp Funding Luxembourg, S.A., a company belonging to the Western Europe segment. This issuance was carried out in two tranches, one amounting to 500 million euros at an annual coupon of 5.875%, and the other amounting to 350 million dollars with a 5.625% annual coupon.

On May 4th, 2016 the Group issued a bond, through the subsidiary Gestamp Funding Luxembourg, S.A. for €500 million with an annual coupon of 3.5%. The issuance was used to fully refinance the May 2013 Euro bond and accrued interest. The US dollar bonds issued in May 2013 were fully refinanced on June 17th, 2016 with the tranche A2 of the new syndicated loan granted on May 20th, 2016. The maturity date of the bonds is May 15th, 2023.

On April 20th, 2018 the Group issued a new bond, through the Parent Company (Gestamp Automoción S.A.), amounting to €400 million with an annual coupon of 3.25%. The issuance was used to refinance certain of Gestamp's existing long and short-term debt facilities. The maturity date of the new bonds is April 30th, 2026.

As of December 31st, 2020 Gestamp's corporate credit rating was "BB- / stable outlook" by Standard & Poor's and "B1 / positive outlook" by Moody's. These ratings were confirmed on August 6th, 2020 by Standard & Poor's and November 23rd, 2020 by Moody's.

### CORPORATE RATING

BB- Standard & Poor's Stable Last Review 06/08/2020

B1 Moody's Positive Last Review 23/11/2020

### BOND RATING

BB Standard & Poor's Stable Last Review 06/08/2020

B1 Moody's Positive Last Review 23/11/2020

## Ratings under the ESG criteria

The number of financial agents (regulators, investors, analysts, rating agencies, banks) that incorporate the so-called ESG (Environmental, Social and Governance) criteria in their decision-making is growing exponentially.

Furthermore, the automotive manufacturers, our clients, in their search to have the best suppliers and make their value chain more sustainable, have in turn started to take into account the ESG evaluations when awarding new projects, in which Gestamp is above the average in the sector.



68/100 (+3)

Included in the Sustainability Year Book 2021 as the **7th company in the automotive components sector worldwide.**

Gestamp is not eligible on DJSI World or DJSI Europe for **not reaching the required volumen of capitalization.**



53/100 (+3)

**7th position in the automotive sector** (manufacturers and components)



65/100 (+5)

**TOP 2%** of the global metal supplier industry  
**Silver medal**



3.9/5 (+1.1)

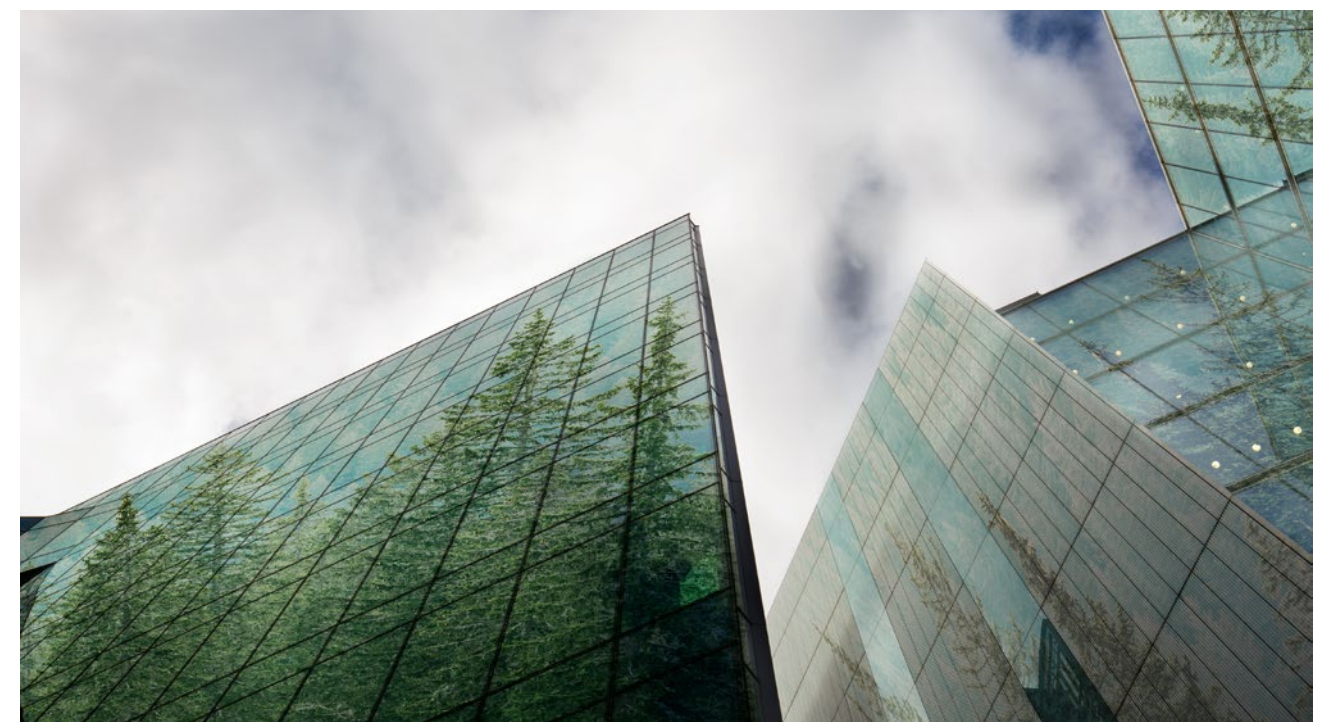
Gestamp is one of **46 Spanish companies** belonging to the **FTSE4Good Index**



**RATING IN CDP CLIMATE: B**  
(Average metal sector is C)

**RATING ON CDP SUPPLIER ENGAGEMENT: A**  
(Average metal sector is C)

**RATING AT CDP WATER: B-**  
(Average metal sector is B-)



## Fiscal strategy

Gestamp bases its fiscal strategy on current national and international tax regulations, aware of the importance and need of its contribution to the public finances of the different territories in which it operates.

Fiscal Policy revolves around four basic pillars:

- Responsibility in decisions and actions in fiscal matters.
- Tax contributions where the activities take place. Gestamp's aim has never been to relocate activities or profits to particular jurisdictions for purely fiscal reasons.
- Transparency in all the information that Gestamp provides to shareholders, the market and the different stakeholders with which it is associated; this information is also accessible, transparent and reliable.
- Cooperation with the different public administrations of the countries where Gestamp has an industrial presence and always subject to solid values of professionalism, collaboration, good faith, mutual trust and mutual respect.

The bodies at Gestamp that are competent and responsible for the fiscal area include the Board of Administration, the Audit Committee, the Risk Committees, the Fiscal Area of the Legal Advice and Tax Department, and the Internal Audit and Risk Management Department.

In particular, the Fiscal Area of the Legal Advice and Tax Department is in charge of preserving and developing all the principles and values of Gestamp in the area of taxation and of overseeing their fulfilment, defining and establishing the required control mechanisms. It also provides information on fiscal risks and their management to the Internal Audit and Risk Management Department which, in turn, follows up and monitors said risks, including them in the Group's Comprehensive Risk Management System and informing the Audit Committee of them.

0.7%

OF THE CORPORATE INCOME TAX PAYMENT WAS USED **FOR SOCIAL PURPOSES** ('X FOR SOLIDARITY' ON THE CORPORATE INCOME TAX STATEMENT)

### Fiscal magnitudes

In 2020, the fiscal magnitudes, as with all the other financial magnitudes, have been affected by COVID-19, which started to spread around the world in the first quarter of 2020 and led to the World Health Organization declaring a pandemic on 11 March 2020.

As established in the consolidated income statements, both the expense and payment of Corporation Tax have been affected compared with 2019, going from being a Corporation Tax expense of 66.9 million euros in 2019 (derived from an Earnings Before Tax figure of 334.1 million euros) to a Corporation Tax income of 22.7 million euros in 2020 (derived from pre-tax losses of 166.6 million), which can be seen in further detail below:

#### DETAILS OF TOTAL EXPENSE AND PAYMENT (CURRENT TAX) FOR CONSOLIDATED CORPORATION TAX

THOUSANDS OF EUROS	2019	2020
Current tax	93,445	<b>104,134</b>
Deferred tax	-24,706	<b>-126,553</b>
Deferred tax (IFRS 16)	-1,379	<b>-2,940</b>
Remainder	-23,327	<b>-123,613</b>
Other adjustments to tax expense	-1,792	<b>-270</b>
<b>TOTAL</b>	<b>66,947</b>	<b>-22,689</b>

#### BALANCE OF THE CORPORATION TAX EXPENSE BASED ON PRE-TAX ACCOUNTING PROFITS

THOUSANDS OF EUROS	2019	2020
Accounting profits (pre-tax)	334,082	<b>-166,545</b>
Theoretical tax rate	80,180	<b>-39,971</b>
Difference between rates	-1,848	<b>-8,008</b>
Permanent differences	6,070	<b>4,434</b>
Deductions and negative tax bases, not previously recognised	-37,624	<b>-5,796</b>
Tax credit and negative tax bases generated in the financial year not registered	16,967	<b>56,555</b>
Adjustments relating to tax in previous financial years	4,994	<b>-29,633</b>
Tax rate adjustments	-1,792	<b>-270</b>
<b>TOTAL</b>	<b>66,947</b>	<b>-22,689</b>

### Grants

Capital grants obtained by Group companies, according to the balance at 31 December of each financial year.

	THOUSAND OF EUROS
Balance at December 31, 2018	<b>22,695</b>
Grants received during the financial year	<b>6,201</b>
Grants returned during the financial year	<b>(368)</b>
Grants released to income in the year	<b>(5,407)</b>
Translation differences	<b>77</b>
Other changes	<b>462</b>
Balance at December 31, 2019	<b>23,660</b>
Grants received during the financial year	<b>18,342</b>
Grants released to income in the year	<b>(4,823)</b>
Translation differences	<b>(376)</b>
Other changes	<b>678</b>
<b>Balance at December 21, 2020</b>	<b>37,481</b>

### Tax havens

One of the fundamental pillars on which the Fiscal Policy of the Gestamp Group is based –and established as an essential part of our Fiscal Strategy–, is the aligning of our tax liabilities with the place where our economic activities are carried out and where the value is generated.

As such, Gestamp has never sought to relocate activities or profits to certain jurisdictions based on purely fiscal reasons, but rather it abides by the fundamental premise, pursuant to its Fiscal Strategy, of contributing through the payment of taxes in the place where the corresponding activity is effectively carried out.

On that note, Gestamp does not have any industrial presence in any territory that may be considered a low-taxation location or tax haven. In the Gestamp Group, there is only one case of presence in a territory of such nature and it regards a holding company with a local partner, the existence of which arose from investment restrictions on said partner, and that corresponds to a productive investment in China.



## Outlooks

Gestamp will continue with its policy of capex moderation, which is expected close to **7%** of total revenues for the year

After a severe collapse in 2020, the global economy is expected to expand in 2021. Global economic GDP growth is projected to grow at 5.5% in 2021 according to the International Monetary Fund's January 2021 World Economic Outlook (WEO).

Based on the current macroeconomic outlook, global auto production volumes are also expected to experience relevant growth in 2021. According to IHS (as of February 2021), global light vehicle production is expected to increase by 13.7% in 2021 versus 2020 in Gestamp's footprint.

Gestamp expects a positive performance of its operations during 2021, with revenue growth outperforming the market by mid-single digit at constant FX. In terms of profitability, the Company expects to achieve an EBITDA margin for the year above 12%. On the other hand, Gestamp will continue with its policy of capex moderation, which is expected close to 7% of total revenues for the year (excl. IFRS 16), which will result in a net financial debt at year-end of less than 2,000 million euros(excl. IFRS 16).

In this sense, the transformation plan announced by the company along with our projects in ramp-up phase and other efficiency measures, will drive the EBITDA margin to 13% in 2022. The path for margin expansion will be based on volume recovery (back to 2019's levels), fixed cost reduction thanks the on-going efforts to simplify, homogenize,

automate, centralize and outsource processes as well as operational stabilization based on no greenfields & brownfields launches expected, as well as solving existing operational problems in specific plants (e.g. NAFTA).

As mentioned before, Gestamp has set up a transformation plan to adapt the organizational and industrial structures to the new situation and recorded during Q2 2020 provisions for this purpose amounting to €89.9 million for operating costs and €13.3 million for asset impairments, which are presented separately in our Consolidated Income Statement.

As of December 31st, 2020 Gestamp's order book covers more than 95% of the targeted revenues for the period up to 2023 implying a solid pipeline which will result in an out-performance vs. the market.

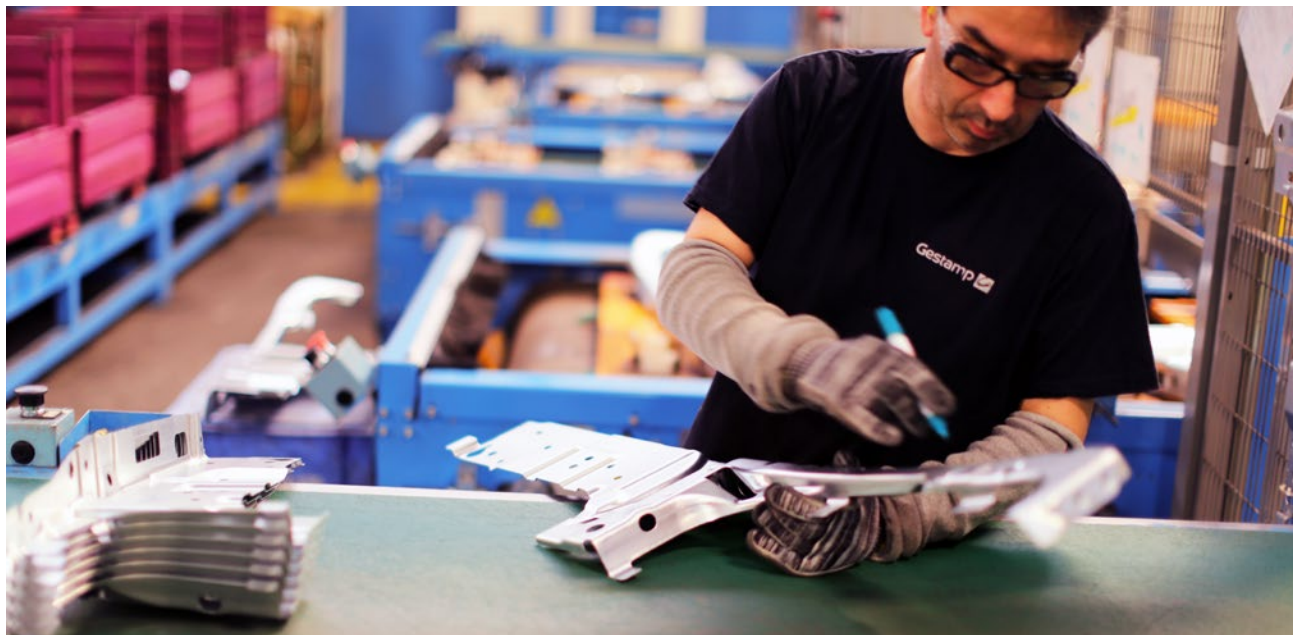
Gestamp's competitive positioning remains unchanged with a strong demand of our products, especially in electrification. Gestamp will also continue to focus its efforts on digitalization and industry 4.0 in order to improve the efficiency of its processes as well as the quality of its products.

Gestamp has set up a **Transformation Plan** to adapt the organizational and industrial structures to the new situation



# Operational excellence

- Our approach **46**
- Standardisation: One Gestamp **48**
- Production Processes **48**
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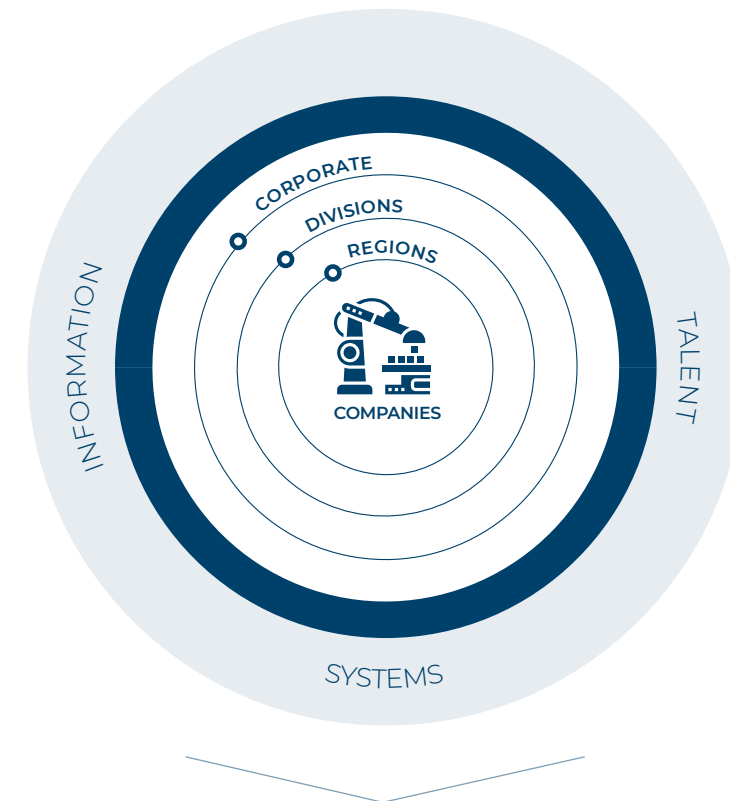
## Our approach

In a competitive sector, such as the automotive sector, standing out from the rest is necessary. Our operations and management have to be excellent.

To achieve operational excellence, Gestamp relies on:

- **An organisational structure** to maximise operational efficiency, ensuring that:
  - Our business units focus on clients, products, innovation processes and on R&D.
  - Our geographical divisions are focused on improving production processes and profitability.
  - Each production plant is a centre of profit.
- **Corporate programmes** that facilitate coordination and efficiency in projects with a shared aim worldwide, which all fall under the *One Gestamp* name.
- **The industry 4.0 model** allows us to comprehensively and smartly combine information on personnel tasks and production and machinery processes using different digital formats, from smart sensors and devices to complete systems.
- **A system to control and manage our suppliers** that helps to minimise risks relating to the supply chain.

## ONE GESTAMP



## ORGANIZATIONAL MODEL

### CLEAR DEFINED FUNCTIONS OF:

- Corporate
- Divisions
- Regions
- Companies

### COMMON SYSTEMS AND STANDARDS IMPLEMENTATION

### INFORMATION FLOW TO FAST REACTION

### TALENT DEVELOPMENT AS A BASE

## DIRECTIVES





## Corporate programmes: OneGestamp

OneGestamp represents the philosophy of collaborating across projects that have a shared goal, enabling the company to be more efficient and to respond to clients' demands in the same way.

The most important programmes are:



PRODUCTION  
PROCESSES

*Gestamp Production System (GPS)* is a fundamental OneGestamp project and one of the main foundations on which the continuous improvement of our production processes is built. The aim is to standardise how work is done at the plants and in production processes by creating standards based on the Lean Manufacturing methodology and on the company's own best practices.

The following projects developed in 2020 are of particular note:

- **Logistics concept:** encompassed within the Readiness for production, this project has proven to be one of the biggest generators of profit, by defining how our line edges should be, how to locate materials, in what type of packaging, define production batches and safety stocks, the layouts for an optimal flow of materials, the means that will be in charge of supplying the lines, the conditions for ordering materials from suppliers and various other aspects, all from the project phase, to ensure a successful start of the projects once they reach the plants.
- **SMED**, which helps us increase the flexibility of our assets by reducing the time lost due to the change of tools, thus contributing to the reduction of working capital.
- **Problem Solving**, is a method for addressing our problems systematically, thus eliminating the root causes that give rise to them and preventing them from reappearing.
- **Cyclical logistics:** in this project, we move from a forklift-based supply chain to a cyclical supply of our lines, with the subsequent benefits in terms of safety and eliminating stoppage due to lack of materials or containers.



PROJECT  
MANAGEMENT

At Gestamp, we manage our clients' projects in a standardised manner through a system that we call Gestamp Product Creation System (GPCS), which is composed of five main elements: a standardised process for the creation of products, procedures and templates, a specific governance model, key indicators and global reports, all of which are supported by a fifth element, comprising a series of IT solutions based on PLM Siemens Teamcenter®. This system enables us to manage, validate and audit the entire process of creating new products for our clients, from the conceptual phases up to mass production, and also adapting to the multiple nuances of products and projects deriving from our broad client portfolio and global implementation.

The adoption of the GPCS is a key element in ensuring the quality of new Gestamp products and production processes, while at the same time reducing risks in the launch and meeting cost and timing targets of the projects.



PRODUCT CREATION SYSTEM

Global methodology based on automotive standards for managing our industrial projects.

+ Software PLM TEAMCENTER

### ➤ A COMMON LANGUAGE

That structures people, processes and information for managing industrial projects

### ➤ A METHODOLOGY

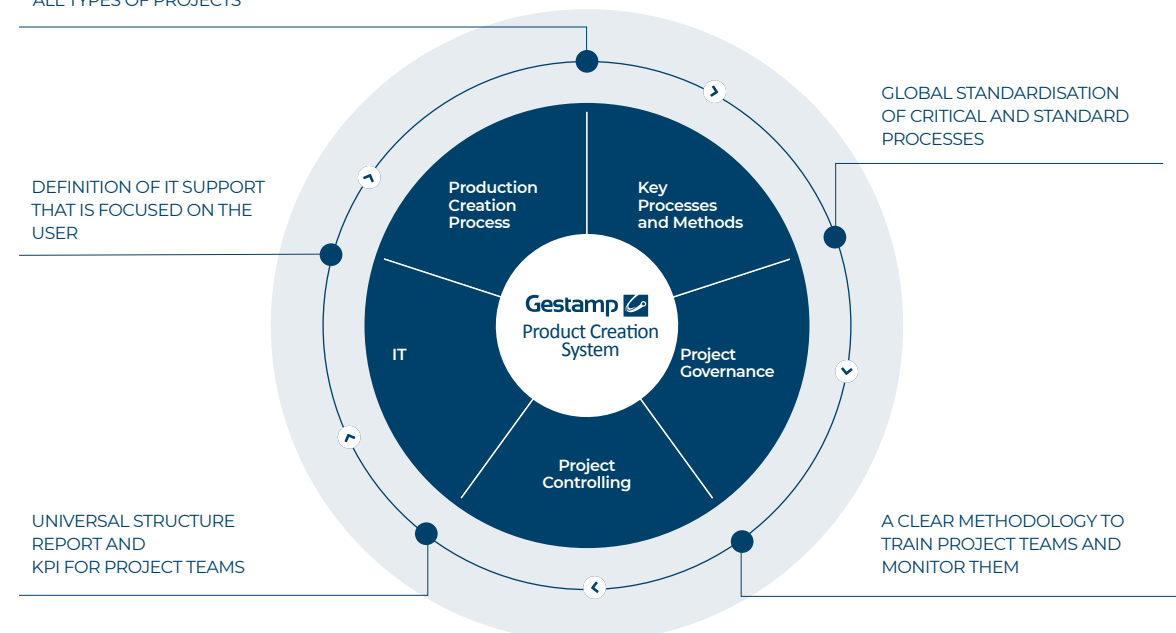
That simplifies complex contexts

### ➤ AN INITIATIVE

Developed by Divisions and Business Units

### GPCS MODEL

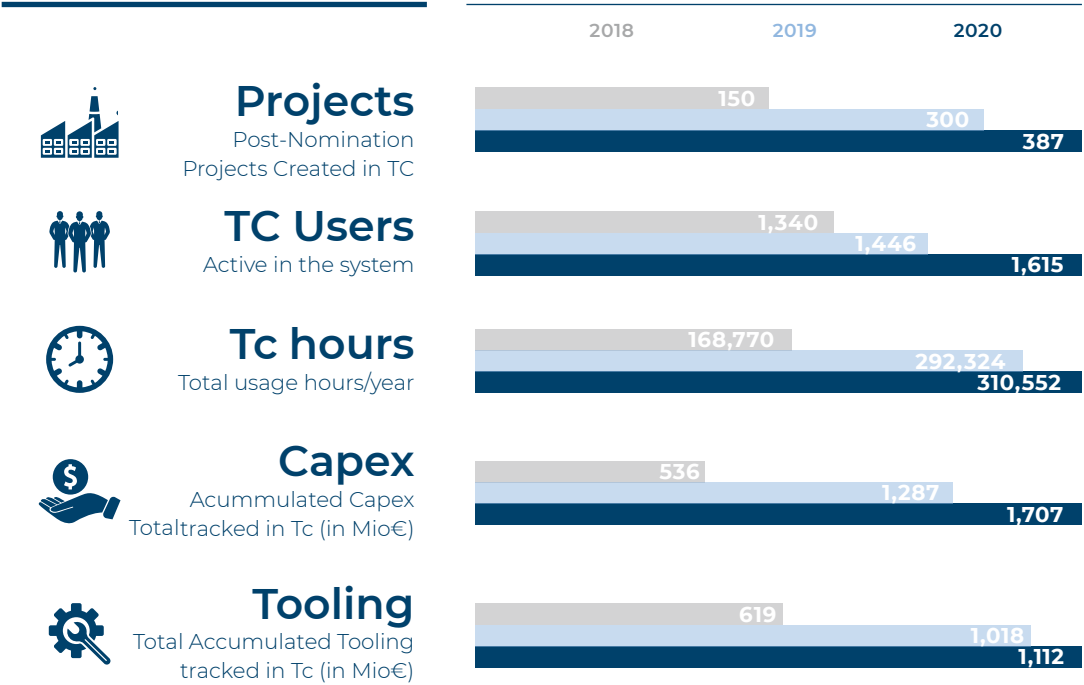
A COMMON PROCESS THAT COVERS ALL TYPES OF PROJECTS



This management methodology must be implemented in all new projects. The IT system that supports it, based on Siemens Teamcenter® was first deployed in 2017 and the fundamental developments were completed in the first half of 2019. The system is now fully operational for product and project management.

By gradually adopting this IT system over the past three years, we achieved the following results by the end of 2019:

- More than 380 industrial projects managed with Teamcenter.
- More than 1,600 active users for project management, gradually approaching the peak target population.
- Direct visibility of the status of these projects is provided, with management throughout the project life-cycle (2-4 years) amounting to more than € 1,700 million in capex and € 643 million in tooling.

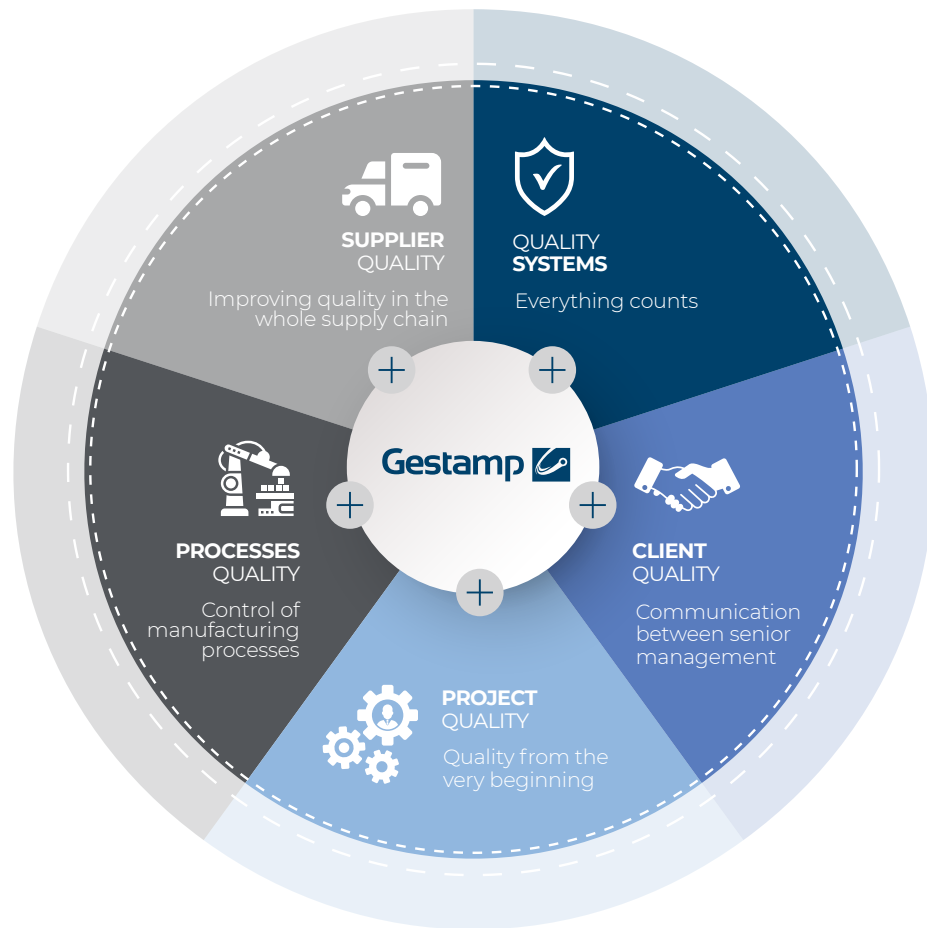


In the automotive sector, each part that makes up the final product is important in ensuring the correct functioning of the manufacturer's assembly line, the quality of the vehicle and even, in some products, the safety of users.

For those reasons, the sector is a pioneer in applying quality systems in the entire value chain. Our clients demand flawless products in the quantity required and the deadline established to ensure both the quality of the final product and the correct functioning in its use.







## QUALITY SYSTEMS

All our production plants have developed and maintained a quality management system that has the international certifications required by our clients, mainly the IATF 16949 and even, in some cases, certifications for Environmental and Health and Safety Management Systems.

These Management Systems help us to continuously improve, focusing on the client and promoting prevention over detection, with the resulting reduction in defects and waste in the supply chain, in a safe and sustainable manner.

In 2020 the quality systems area reorganised its priorities so as to make better use of the available resources in light of the pandemic, focusing its attention on supporting the plants when operations resumed after the shutdown prompted by COVID-19 and on creating specific contingency plans for them in the event of another potential outbreak requiring a shut-down again. The quality area took part in setting up webinars on resuming operations, along with other corporate areas, thus enabling them to reach some 400 professionals at all the plants around the world. The representatives in China played a key role in this process, fostering direct interaction among all the plants and their counterparts in our division and the Chinese plants.

## RESTARTING OPERATIONS AFTER THE LOCKDOWN CAUSED BY COVID-19

Gestamp Group



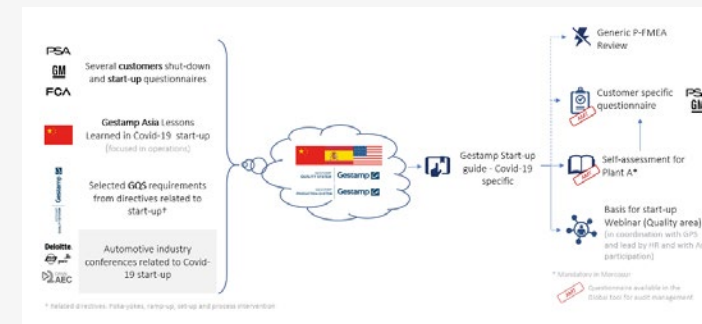
**SDG 12**  
Responsible consumption and production

During 2020, all of Gestamp's plants were shut down at short notice due to the Covid-19 pandemic. Restarting operations was identified as a challenge with a potential negative impact that needed to be mitigated. However, because the plants in China had already experienced the same situation a couple of months earlier, Corporate Quality department decided to identify and apply the lessons learned in Asia to the rest of the plants around the world. To this end, a guide was produced based on questionnaires about how clients started and closed their businesses before the pandemic, adapted to fit the new situation. The participation of our Quality Manager for Asia was key because of his involvement and because it enabled us to access several tools that had been successfully used in China. Another essential action was direct contact with colleagues in China and in order to facilitate this, the Corporate Training and Development department came up with an innovative solution: webinars or Gestamp Talks. They also recognised the need to include representatives from

other operations areas such as plant, production or maintenance managers. Several webinars were quickly created that focused on three specific areas: strategic planning, maintenance and quality. Hundreds of participants had the opportunity to interact directly with their colleagues in China and learn from their experiences, whilst being supported by an ambitious communication campaign on the company's intranet.

The result was very positive and no major problems were detected when activities finally restarted in all the plants.

A few months later, a new contingency plan was launched due to the second wave of the pandemic, so that plants could be prepared for another shutdown at short notice and, if necessary, to stop operations in an orderly manner and in a very short period of time.



Gestamp talks



LEARN MORE ABOUT  
GESTAMP TALKS

"After the first wave of the pandemic, these seminars gave us an opportunity to share the lessons we had learned about restarting activity with the rest of the plants around the world. Being able to talk face to face with colleagues from all over the world who share the same concerns as you and who are about to experience a difficult situation that you have already been through was a source of pride for our division and, I believe, a great help for the rest of the plants, which undoubtedly contributed to a well-planned restart."

**RAFAEL MÁRQUEZ**  
QUALITY MANAGER, ASIA DIVISION



## CLIENT QUALITY

At Gestamp, we are committed to building solid and long-lasting relationships based on trust with our clients and, with that in mind, we promote continuous dialogue which helps us to improve and meet their needs.

### Annual meetings

Annual meetings of the highest level are held with clients in order to review short-term results and forecasts; longer-term prospects, trends and opportunities are also analysed at these meetings. Moreover, the development of common strategies, new technologies and any needs that the client may bring up are also analysed.

### Day to day relations

Direct contact is maintained with the client in respect of day-to-day activities, both in the industrialisation phase and in the mass delivery. During the industrialisation phase of new products, we maintain constant contact with our clients and carry out a special follow-up for those projects that are considered strategic in order to ensure an appropriate response.

Our production plants maintain daily contact with the facilities of our clients. This is a more operational contact seeking to provide a flexible response to the requirements and needs of the client, and resolve any issues that may arise on a day-to-day basis. This contact was bolstered in 2020 through the coordination tasks implemented in response to the pandemic.

### Client audits

The client, in turn, visits our plants from time to time to carry out audits and contribute to our continuous improvement, together with periodic evaluations which enable us to determine our quality level in relation to the client's other suppliers and to take steps where our clients consider there is room for improvement.

### Monitoring and Internal control

Monitoring the quality performance of parts delivered to our clients is undertaken through internal audits on products, processes and systems, as well as through the use of indicators at all levels of the organisation (plants, regions, divisions and corporations).

All the incidents that occurred during the year were resolved between the automotive manufacturers and the Group, which favourably managed the incidents within the optimal timeframes. That ensured that final users did not face any inconvenience whatsoever and no vehicle in the possession of a final user was recalled for a revision for any reason relating to the products supplied by the Group in 2020.

The manner in which said incidents were handled was the key element in resolving them. As such, there was no need to resort to the insurance guarantees that the Group has taken out.



## PROJECT QUALITY

In order to properly manage risk starting in the earliest project phases the corporate Project Quality area actively participates in both GPCS and GQS, two cornerstones of One Gestamp. It also leads a global initiative to prioritise risks based on the so-called FMEA cycle, one of the most powerful standards in the sec-

tor, developing an ambitious programme to enhance its usage in terms of methodology and in the development of an IT tool to facilitate usage. Another key feature of this project is capitalising on experiences and integration with other areas such as the industrial process quality area.







PROCESS QUALITY

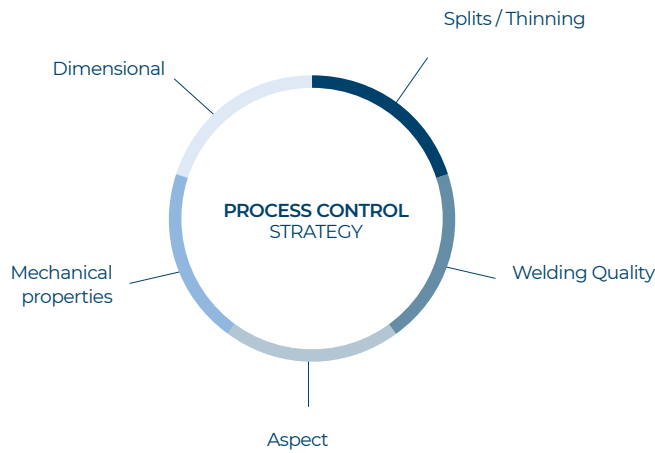
The Process Quality area provides the whole organisation with a set of standards and methodologies linked to the most critical technologies and production processes within the Group, focusing in particular on special processes (those in which the part has to be destroyed to ensure that the product is up to standard; such as parts involving arc welding). Its aim is to align all of our production activities with the client's quality requirements and international standards in order to maximise the quality and efficiency of said processes.

We have to ensure that we comply with the client's specifications in all processes up until the final delivery of the product.

So far, arc welding, hot stamping, skin parts and resistance welding standards have been defined, as well as sub-projects stemming from the main projects. And implementation has continued at the production plants, except for the plants relating to the Mechanisms Business Unit.



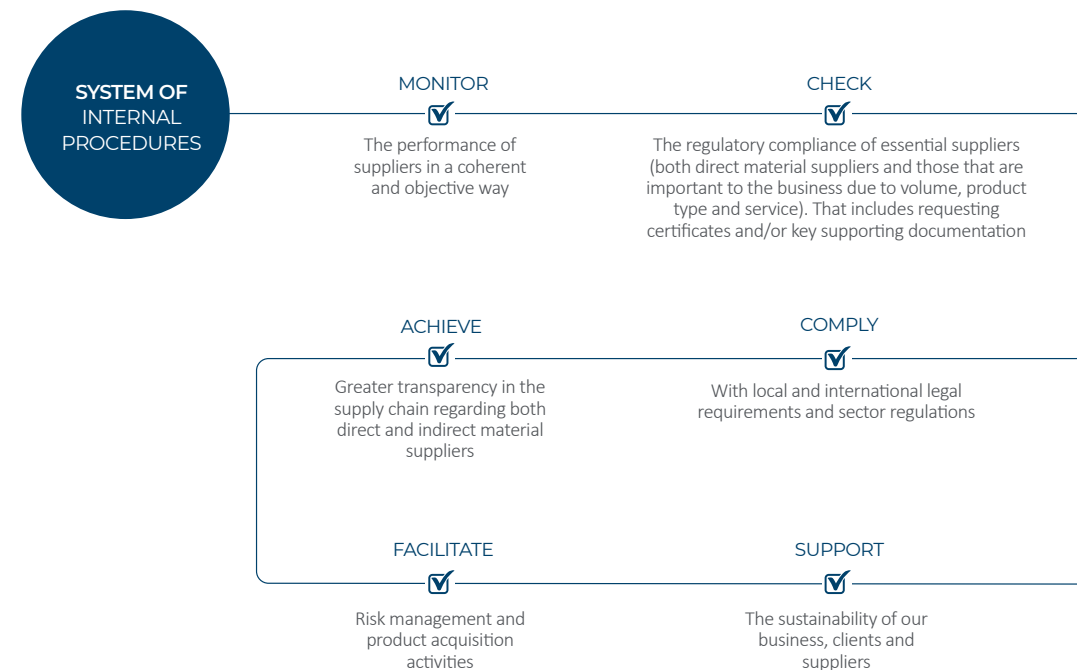
GLOBAL PROJECT OF CONTROL PROCESS TECHNOLOGIES



The analysis of the most important control equipment families in the Group is also complete. The project had established different lines of action that include assessing the inventory of available equipment in our production plants around the world, reviewing and identifying suppliers of this technology and their limits, and drawing up complete guidelines for different families of equipment. Finally, a database is also available for managing all the equipment, thus optimising the analysis of the plants' needs from a technical perspective.



## Supplier management



In a globalised business like ours, management of our supply chain is increasingly complex. Therefore, we have a system and internal procedures for managing our suppliers comprehensively.

We aim to be able to effectively and consistently evaluate the performance of our suppliers and to ensure that our supply chain meets all of the automotive requisites, as well as the local and international legal and regulatory standards, which are key elements in guaranteeing the continuity of our business.

Through this management system, we:

- Monitor the performance of suppliers in a coherent and objective way;
- Check the regulatory compliance of essential suppliers (both direct material suppliers and those that are important to the business due to volume, product type and service). That includes requesting certificates and/or key supporting documentation;

- Comply with local and international legal requirements and sector regulations;
- Achieve greater transparency in the supply chain regarding both direct and indirect material suppliers;
- Facilitate risk management and product acquisition activities;
- Support the sustainability of our business, clients and suppliers.

This method of global supplier management is undertaken through the “Gestamp Supplier Portal”, a shared tool with which to manage all the purchases of the Group’s companies. Locally, each production plant has a close relationship based on trust and commitment with the suppliers in its vicinity.

## Supplier risk management

At Gestamp we are aware that global supply chains entail risks that can not only affect our ability to deliver to our clients under the agreed conditions, but also compromise the confidence of our shareholders. Our definition of Supplier Risk includes operating risks (late delivery and quality issues), financial and compliance risks and unexpected events such as natural disasters, geopolitical risks and cyber-attacks.

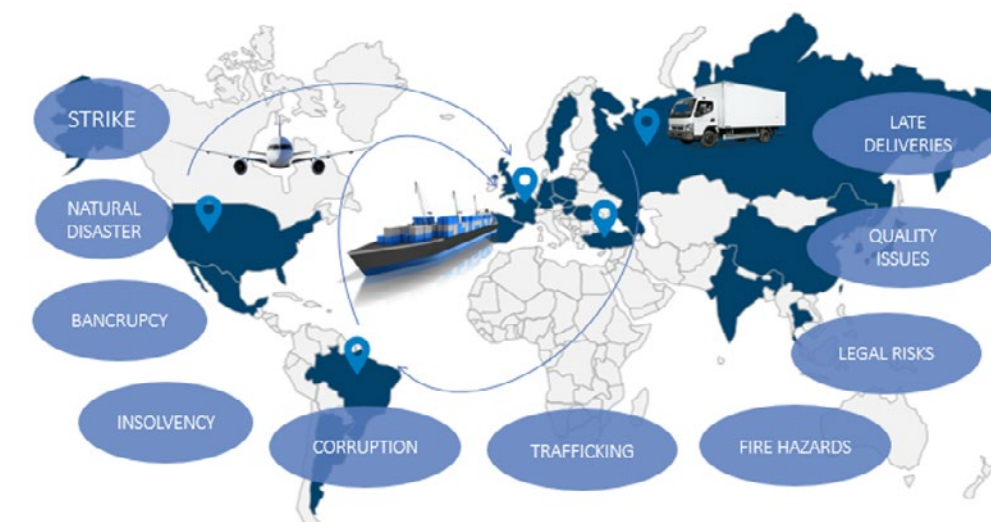
With this broad definition of the risks in mind, in 2019 we added a tool to our supplier management system that enables us to gather further information about our suppliers from certain external sources using artificial intelligence and internet searches to complete the information about them, affording us a 360° vision of our suppliers.

At Gestamp, we approach the supplier risk based on the principle of the relationship between the supplier and Gestamp, throughout the contract relationship with the supplier, which enables us to constantly monitor the level of risk in detail, especially for suppliers with which we have established a long-term relationship.

In 2020 the new tool was implemented at about 40% of our plants, despite the logical difficulties brought on by the circumstances. Implementation is expected to extend to the rest of the plants in Q1 2021.

## The impact of COVID-19 on the supply chain

The pandemic has had a low impact on our suppliers, in light of the situation in general, although there was some occasional strain on the supply chain. One of the mitigation measures used was to conduct a survey among our suppliers to assess the short-term risks and to take the appropriate measures to reduce their effects. In this case, previous experiences in China were also crucial.



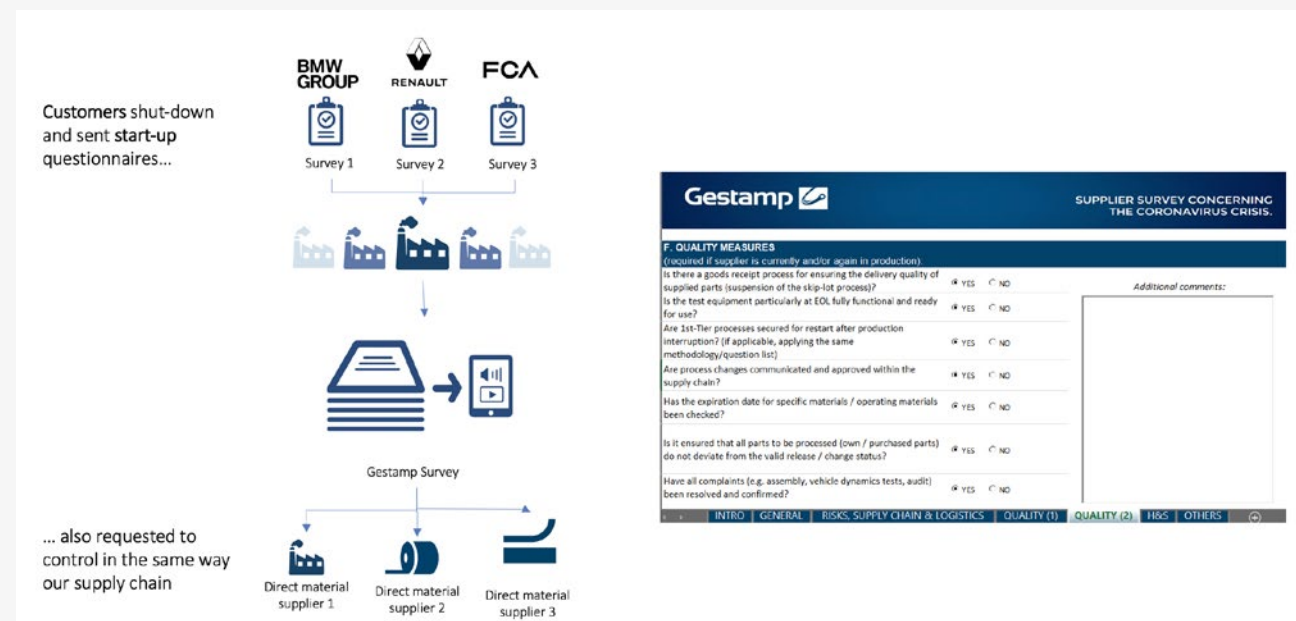


## Supplier quality procedure

At Gestamp, we strive to manufacture high-quality products and we only work with suppliers who ensure that that is possible, contributing to the production of an excellent final product.

For that reason, we rate our raw material and component suppliers according to quality criteria on a production plant and corporate level (considering the ratings of any given supplier at different plants).

## SUPPLIER SURVEY FOR RESTARTING OPERATIONS AFTER THE LOCKDOWN CAUSED BY COVID-19



Considering the large number of suppliers in our supply chain, there was a high probability that it would be difficult to restart operations. The situation was assessed as high risk and actions had to be taken in a short period of time to mitigate it. One key action was to alert our direct material suppliers and ask them for action plans to ensure deliveries. Bearing in mind the importance of this matter to our clients, the supplier quality area conducted a

survey among our suppliers to assess the short-term risks and to take the appropriate measures to reduce their effects.

Thanks to these actions and the lessons learned in China, no major supply chain issues were detected when operations restarted after the end of the lockdown caused by Covid-19.

## The sustainability of our suppliers

The aspects we evaluate include the ethical behaviour of our suppliers in accordance with our values and Human Rights. Any supplier that works with us must accept our requirements on Social Responsibility, based on the Global Compact principles of the United Nations.

They must also approve the Corporate Social Responsibility Requirements for Gestamp Group Suppliers, which is available on the website and the Supplier Portal.

Gestamp performs annual on-site quality audits of our suppliers. The aim of these audits is to monitor and track their ability to meet our requirements and expectations. These audits are prioritised according to the supplier risk, which is evaluated using a risk matrix. The audit is based on an internal model that meets IATF 16949 and VDA standards and also includes environmental aspects (energy, water and raw material usage, hazardous waste management) and social and ethical matters (working conditions, human rights, health and safety, anti-corruption)

This activity was impaired by the necessary travel restrictions imposed in response to the pandemic. However, the situation was mitigated by optimally using the broad range of resources available worldwide, conducting audits with the nearest valid resource, always following the measures in place in the supplier's country as well as those of Gestamp, and making use of the possibility of conducting remote audits or even self-assessments. In 2020, 157 on-site supplier audits were conducted, 42% of which received the top rating (grade A), 47% earned an average rating with room for improvement (grade B) and 11% of which did not meet Gestamp's standards and were thus required to implement the relevant action plan. In addition to these audits, a further 19 self-assessment procedures were conducted.

It should be noted that, out of the suppliers that were audited on more than one occasion in the past two years, 17% obtained a better rating in the latest audit.

## Conflict minerals

Gestamp has had a Conflict Minerals Policy since 2014 in accordance to the main laws and requirements of regulators.

Even though we don't use any of the recognized minerals and metals of conflict zones (tin, tantalum, wolframium and gold) in our products, there is a possibility that one of our suppliers could be affected.

Through our policy, we commit to adopting measures geared towards disclosing and/or avoiding the source and use of minerals in our plants and through our suppliers that may finance or benefit armed groups from countries connected with conflict zones.

To control and track this on a periodic basis, in Gestamp we have created a procedure based in the Conflict Minerals Reporting Template (CMRT).

Whenever it is required by our stakeholders (mainly clients and regulatory authorities), we have all the information about its management and the results of implementing this policy.



### THE CORPORATE SOCIAL RESPONSIBILITY REQUIREMENTS FOR SUPPLIERS



[DOWNLOAD THE DOCUMENT](#)



## SUPPLIER QUALITY

Assurance of the quality  
of direct material  
suppliers:  
**raw materials and  
components**



TO ACCESS THE SUPPLIER  
PORTAL FROM THE  
GESTAMP WEBSITE

### ESG CRITERIA

1 Acceptance of  
Gestamp CSR  
Requirements

2 Review of  
certifications,  
including ISO 14001  
Certification

3 Gestamp Risk  
Monitoring: risk  
management system  
with daily alerts  
and updates



SUPPLIER

Registration in the  
**Supplier Portal**  
Gestamp

Direct material suppliers  
(raw material and  
components)

NO Supplier Valuation  
**IATF 16949/ ISO 9001**  
Gestamp Audit

YES

Supplier Regular  
Evaluation (GQI)



Improvement  
and Monitoring  
Plan Request

On-site audits  
to Suppliers

Suppliers with  
**some award**  
**17,638**

**Local**  
suppliers  
**85%**

**New registered**  
suppliers  
**3,735**

**Strategic**  
suppliers  
**715**

1 All suppliers that want to establish a relationship with Gestamp must register in the Group's Supplier Portal, accept Gestamp's Purchase Conditions and fill out the corresponding forms. For direct material suppliers (raw material and components), we have also established the following procedure.

2 The quality department evaluates whether or not the raw material or component supplier is certified. Such certification must correspond to IATF 16949 or ISO 9001. The ISO 14001 certification will also be valued.

**Authorized**  
suppliers  
**2,705**

3 Suppliers certified in accordance with the aforementioned references, are subject to a monthly evaluation based on two aspects:

**1. Quality Indicators (product quality, logistics and non-quality positions )**

**2. Audits**

The Global Quality Index (GQI) is obtained through both aspects, which allows the supplier to be classified into the following categories:

Certified suppliers  
**IATF 16949 or ISO 90001**  
**85%**

**Evaluated** suppliers  
**1,199** **A: 1,062**  
**B: 94**  
**C: 41**  
**D: 2**

A- IGC≥80. Suppliers with optimal performance.

B- 60≤IGC<80. Suppliers that should improve their quality or logistic performance.

C- IGC<60. Suppliers with risks related to quality or logistic performance or without IATF 16949 or ISO 9001 certification.

D- Those suppliers that do not have evidence of the defined minimum formal requirements (quality certification, PSO and CSR).

4 In the event that a plant classifies a supplier as B or C, the plant requests a specific improvement plan and follow-ups until a positive result is obtained.

5 Periodically, plants conduct on-site audit to suppliers to monitor their capacity to meet our requirements and expectations. These audits are prioritized based on the risk of the supplier, which is evaluated according to the risk matrix.

They are based on an internal model that complies with IATF 16949 and VDA standards, including environmental aspects (energy, water and raw materials use; hazardous waste management) and social (working conditions, human rights, health and safety, anti-corruption).

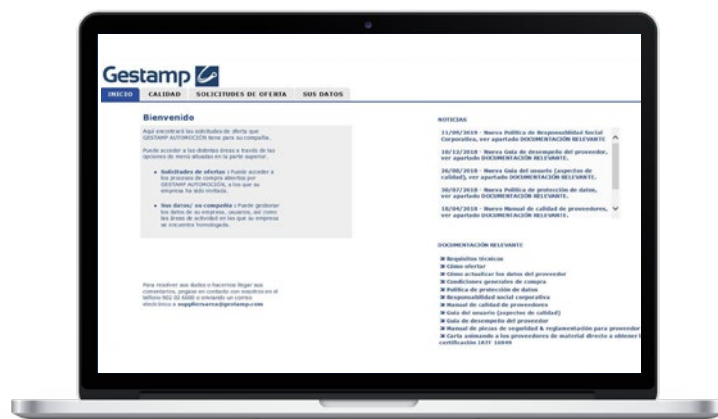
**On-site** audits  
**157** **A: 66 (42%)**  
**B: 74 (47%)**  
**C: 17 (11%)**

**Suppliers improved**  
rating on the last audit  
**17%**

Due to the COVID-19 pandemic  
during 2020  
**19**

audit have been carried out through  
**self-assessment methodology**, all with  
satisfactory results.

5 On-site audit includes  
environmental, social  
and ethical aspects.





## Smart factory to smart industry strategy

For several years, Gestamp has been committed to applying an Industry 4.0 model to our activities with a clear vision: creating more efficient and flexible production plants and more consistent and reliable processes by analysing our data and adding intelligence to our processes so that the right information reaches the right people at the right time.

During this time, Gestamp has implemented diverse Industry 4.0 projects that range from production processes like hot stamping, cold stamping and chassis manufacturing to auxiliary processes, such as maintenance, logistics, quality and energy. We have also developed knowledge and countless projects in the field of process virtualisation, managing to virtualise an entire factory with a view to predicting how it will operate in order to completely optimise it.

The knowledge obtained during the development and implementation of these projects has given Gestamp the insight needed to lead the process of transforming the industry from a traditional model to the model of the future.

This new model is based on the Smart Factory concept. This is a connected, smart, virtualised, safe and scalable factory that can be flexibly, swiftly and efficiently adapted to the constantly changing needs of the industry. Digitalisation is the means through which this agility and the subsequent enhancement in competitiveness is achieved.

Certain key elements are important in reaching this level of digitalisation. On the one hand, mature, robust digital technologies are required. Traditional industry must be capable of utilising technology enablers that are often new to the industry, because these are what will enable them to take the leap towards full digitalisation, which will allow them to do things differently.

On the other, digital systems and processes must be standardised and simplified to ensure that this new industry model is easily implemented. It is also essential to correctly integrate the different technologies

and systems within the industrial model, integrating and orchestrating all the solutions and properly connecting them all.

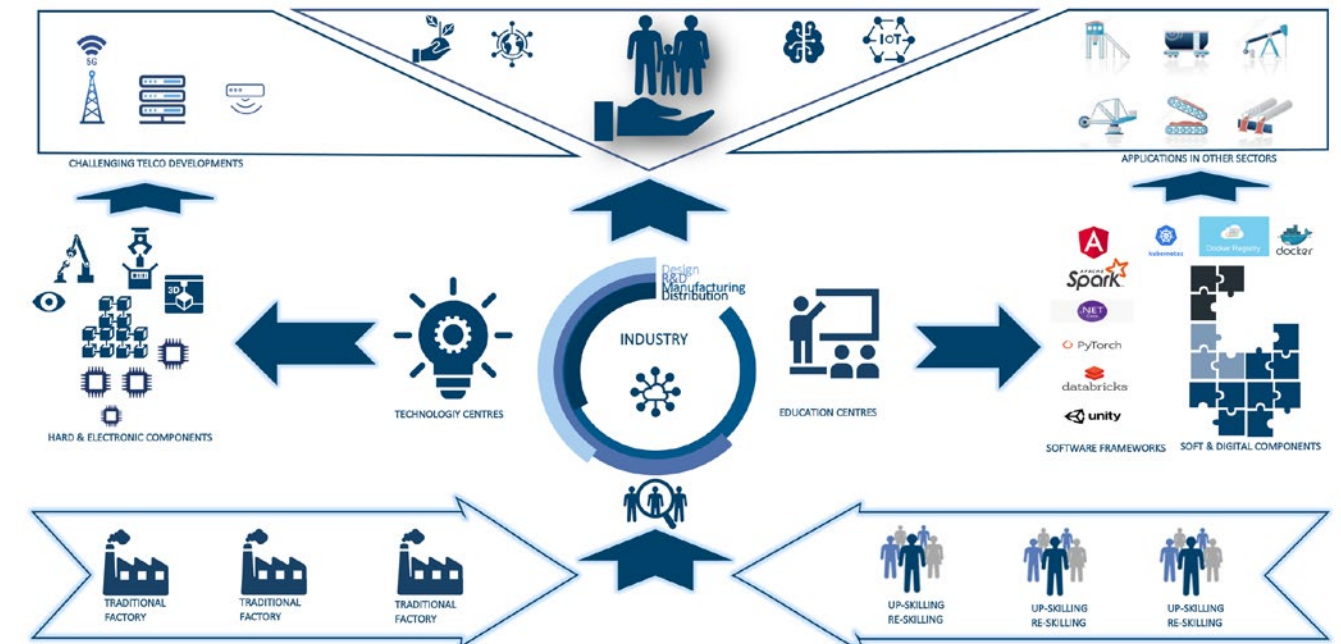
This new digital manufacturing model generates, transmits, transforms and processes heavy volumes of data, thus requiring new data architectures to support the demand for access and information processing capabilities, in terms of both quantity and type. Furthermore, a data governance policy and strategy must be established, which contains standardisation and uniformity, a governance model and responsibility matrix, an integration strategy and an analysis and visualisation layer.

Finally, to make this digitalisation a reality, industrial profiles must be changed to technological profiles that can lead the transformation. New digital industrial profiles must be defined and upskilling and re-skilling plans implemented to recycle employees to meet the new needs of the industry of the future, prompting a fair digital transition.

Gestamp's goal is, therefore, to transform its current manufacturing model into a model of the future, based on digitalisation and the smart factory concept.

To this end, we are working with a broad ecosystem of partners, not only in the industrial field but also in the fields of hardware and software, seeking to spur them to develop and adapt their products and services to the industry's needs. At the same time, we are bolstering the knowledge network (universities, research centres and learning institutions) with the aim of transmitting and sharing the knowledge acquired, to not only benefit our industry but also to influence and speed up this digital transformation in other industrial sectors.

We believe that this digital transformation, which is being driven on many fronts, will definitely benefit society by making industries more competitive, cleaner, offering higher quality jobs and much more streamlined to better respond to customers' demands.



Gestamp is clearly committed to transform its current manufacturing model **into a model of the future, based on digitalisation and the smart factory concept**

## SMART FACTORY

Following our Industry 4.0 strategy, we have managed to transform an existing factory into a fully connected factory, thus making one of our plants in Barcelona the first 5G-connected factory in Spain.

Through this project, we seek to connect the real world to the virtual world. Therefore, we are creating our first Smart Factory pilot, based on building a virtual model of a real factory, a full digital twin fed with real data that can be used to validate multiple scenarios in order to make the most suitable decisions at any given time.

As in the real world, we monitor and control our equipment, and this information is used as input for our virtual system in which we analyse not only the past and present but also the future, enabling us to foresee what will happen and make the most reliable decisions, constantly aiming to make our factory operate as efficiently as possible.

To achieve this link between the real and the virtual world, the connectivity of our systems and equipment, as well as strong computing capabilities, are essential in enabling us to process large quantities of information in real time. This is possible through enabling technologies like 5G and Multi-Access Edge Computing (MEC), which bring computing power and cloud storage to the edge of the network.

This project was the laboratory that has enabled us to successfully test and validate our Smart Factory concept; our goal now is to continue deploying the concept at our other factories as the technology reaches the required level of maturity.

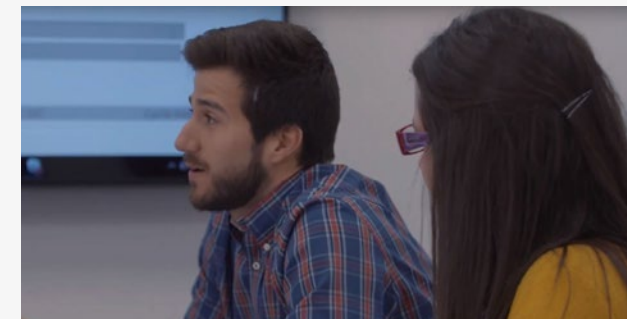
Projects such as the Centre of Excellence for Electric Vehicles and Flexible Manufacturing and 5G Euskadi are important for the ongoing progress in the Smart Factory concept.



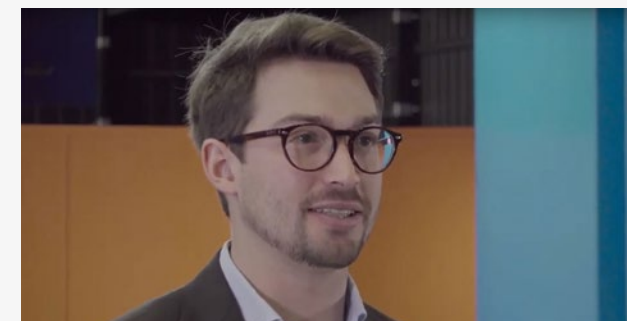
WATCH THE VIDEO  
"GESTAMP SMART  
FACTORY"



WATCH THE VIDEO: "#SMARTFACTORY: COLD  
4.0 PROJECT"



WATCH THE VIDEO: "#SMARTFACTORY: DATA  
ANALYTICS"



WATCH THE VIDEO: "#SMARTFACTORY:  
CHASSIS QUALITY PROJECT"

### Smart Factory: Cold 4.0 project

Industry 4.0 projects are very complex and they present a continuous challenge. One of the success pillars of these projects lies in the absolute commitment of our suppliers, with whom we build a relationship of trust and commitment between partners.

Within the Industry 4.0 initiatives, Gestamp develops the Cold 4.0 project in Poland, which collects more than 30,000 variables in a single cold stamping line. The challenge is transforming this data into appropriate information, making it available to the right person at the accurate time to facilitate the decision-making process.

### Smart Factory: Data Analytics

In Industry 4.0, Big Data is essential. Gestamp, through the Advanced Analytics team, studies all the variables of the different Industry 4.0 projects in order to improve processes and offer an additional value to the plant. The digitalization of all expert knowledge, translated into algorithms and codes, provides useful and simple information for our plants daily work.

### Smart Factory: Chassis Quality Project

Gestamp has developed the Chassis Quality Project with the objective of exceeding the quality expectations of the chassis parts, key to vehicle safety as part of our commitment to customers. As a project's result, the Global Quality Digital Certificate has been created to collect and store all the information related to production. This data, together with the unitary traceability of the parts, allows Gestamp to have an absolute control of all the chassis parts produced. The project is now in the implementation phase in several plants of the group.



# Innovation

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## Our approach

Research and development is a priority at Gestamp. Innovation is a key factor in success because it differentiates our products and services.

Through innovation, we seek to stay one step ahead of new technological trends and to offer standout products that meet efficiency, weight, cost, quality, comfort, safety and sustainability requirements.

At Gestamp we support our customers in the design and manufacturing of products, from the initial idea to mass production. This cooperation, which sometimes lasts up to 5 years before a vehicle is launched, enables us to respond to current expectations and also to jointly develop concepts, technologies and solutions for the future.

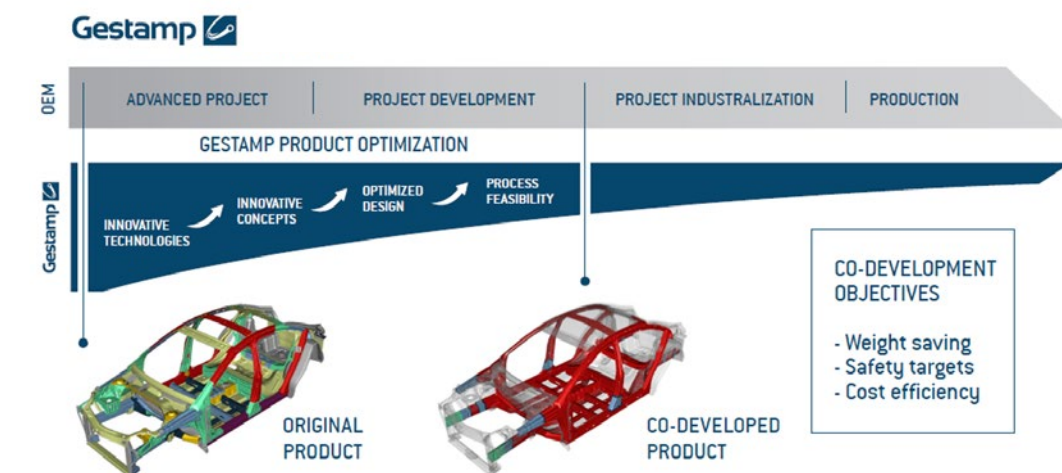
As a result of the COVID-19 pandemic in 2020, global vehicle production did not reach expected levels, but manufacturers continued to progress on the development of new models. Thus, we worked on a greater number of projects based on future models, totalling 307 body-in-white, chassis and mechanism co-development projects, compared to 285 in 2019



307

CO-DEVELOPMENT  
PROGRAMMES IN 2020

DIAGRAM OF THE PRODUCT CO-DEVELOPMENT PROCESS  
FROM THE INITIAL IDEA TO PRODUCTION



KEY FACTORS FOR GESTAMP R&D:



### Lightweight

Creating increasingly lighter products, as weight has a direct impact on engine energy consumption and, therefore, on CO<sub>2</sub> emissions, the regulating of which is becoming more and more restrictive due the emergence of new regulations.



### Comfort

Enhancing the convenience, accessibility and automation of side and boot doors is now a requirement to be kept in mind when developing certain vehicle parts.



### Low environmental impact

Controlling and minimising the environmental impact of our activity. All the technology developed by the R&D department includes an analysis of the carbon footprint and the impact within the vehicle's life-cycle. To do this, we strive to use new materials developed by Gestamp or available around the world with consistent quality levels, and to ensure that our production processes are effective and flexible throughout the production chain. All at an affordable cost, using the appropriate technology in each case.



### Safety

Identifying formulas that increase safety for vehicle occupants and pedestrians.

## Response to main sector trends

### Outsourcing

The changing nature of the automotive industry has led to manufacturers prioritising their investments. In the struggle to stay ahead, they are opting to invest in and research current trends in mobility, such as electric vehicles, driverless vehicles and shared mobility. This leaves them less margin to invest in their internal capabilities in other areas that do not contribute as strongly to differentiation, such as body-in-white or chassis.

This trend, together with standardisation through global platforms, has given rise to an increase in outsourcing. Manufacturers choose a small number of strategic suppliers, like Gestamp, to provide them with parts containing or requiring advanced technology.

### Global platforms

Automobile manufacturers are focusing on standard platforms that are valid for several vehicles. This enables them to optimise developments and production costs while significantly reducing the gap between the product concept stage and its launch.

Gestamp is one of the leading developers and suppliers of combustion engine vehicle platforms. In recent years we have participated in the development of numerous hybrid platforms and pure electric vehicles, enabling us to secure a number of mass production contracts for different vehicle manufacturers around the world.

### Electrification

These days, most brands now offer fully electric or hybrid vehicles. Electrification is an unstoppable trend for the automotive sector, with diverse factors driving it forward, the most important of which is the growth in urban populations and the improvement in the air quality there.

Local initiative will be the driver behind more sustainable mobility based on clean, shared transport, in which both public and private electric vehicles will be the main feature. These needs will prompt technological developments towards more efficient, economical and recyclable batteries, as well as the creation of an adequate charging infrastructure. A reduction in battery costs is needed to make electric cars more competitive with combustion engine vehicles for mass acceptance to take place.

Electric car designs require new products and entail changes in the vehicle response in the event of a collision that are drastically different from those of a combustion engine vehicle. Comfort is starting to become an even more important feature in electric vehicles.

The Electric Vehicle area and R&D teams at Gestamp are offering diverse solutions, such as the electric battery box and the use of different materials that provide more appropriate solutions for the new electric platforms.

It should be noted that we have collaborated on diverse types of mobility, not just electrification itself. Projects have thus been developed for cars that travel long distances, small cars for city driving and also the so-called “urban people mover” and “last mile delivery” concepts.

### Reduced weight and CO<sub>2</sub> emissions

The development and production of fuel-efficient vehicles is a key growing trend in the automotive sector. This trend has been driven by regulatory factors and by the growing environmental awareness of consumers, playing an increasingly important role in their decisions on purchasing vehicles. As a result, manufacturers face constant pressure to improve the fuel efficiency of their vehicles and to reduce CO<sub>2</sub> emissions. Reducing the weight of vehicles increases their fuel efficiency and reduces their CO<sub>2</sub> emissions, which makes the body-in-white and chassis components produced by Gestamp vital in achieving CO<sub>2</sub> emission targets.

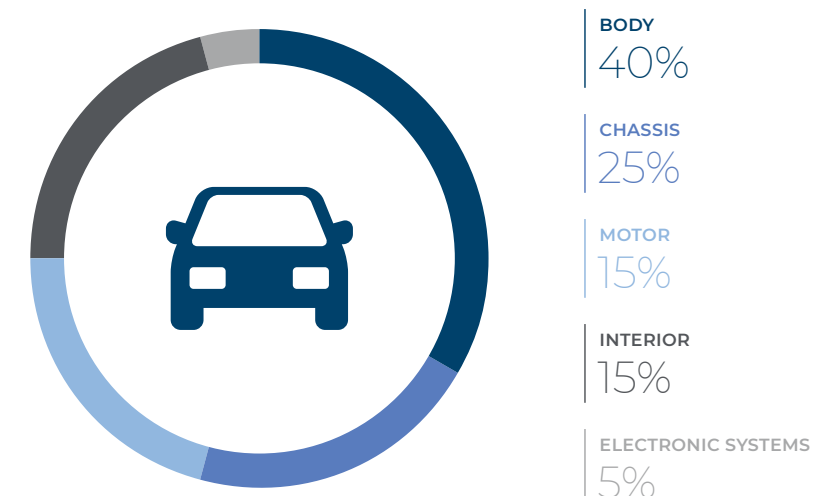
Our R&D capacities, leadership in hot stamping technology and experience in developing multi-material solutions focused on making lighter components, help us to provide innovative solutions to address our clients’ regulatory pressures in a cost-effective way. The following graphs present the effect that Gestamp products have on the weight of vehicles and, in turn, their CO<sub>2</sub> emissions.

Reducing the weight of vehicles **increases** their fuel efficiency and **reduces** their CO<sub>2</sub> emissions

BY REDUCING THE WEIGHT OF AN AVERAGE VEHICLE **BY 100 KG**, IS ACHIEVED A REDUCTION OF:

↓ 9 gr CO<sub>2</sub>/km

### VEHICLE WEIGHT DISTRIBUTION



Source: VW



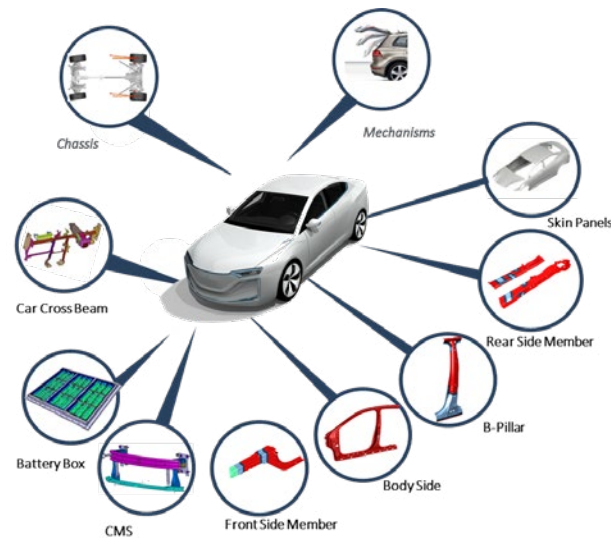
## Safety

Many of our products help manufacturers to comply with the safety regulations, which are becoming increasingly complex and difficult to address regarding the comprehensive safety of vehicles. For example, our high-strength and ultra-high-strength steel products significantly improve the ability of vehicles to withstand impacts. Furthermore, the energy absorption improvements in our portfolio of chassis and body-in-white products increase driver and passenger safety, reducing side impacts to a minimum, while the bonnet hinges in our mechanism product portfolio improve pedestrian safety.

Furthermore, technologies like hot stamping, an area in which we are leaders, allow us to meet even the strictest safety requirements and to withstand car-to-car crash tests.

The following graph shows how our products help our clients to comply with increasing safety requirements.

### GESTAMP PRODUCTS HELP TO COMPLY WITH MOST OF EVEN THE STRICTEST SAFETY REQUIREMENTS



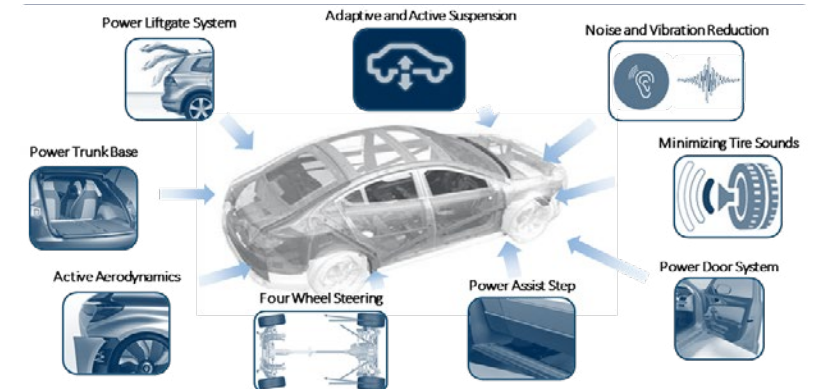
### INTERNAL CAPACITIES FOR UNDERTAKING VEHICLE CRASH SIMULATIONS



## Comfort and dynamics

Some of the main criteria users take into account when purchasing a vehicle regard drive experience, comfort and dynamics. This is leading to a rise in demand for components such as electric liftgate systems, noise and vibration reducing components, electric door systems, power assist steps and noise reducing tyres. Gestamp has been working on these components for many years and it leads the way in the sector. They have long been components installed in top-of-the-range vehicles and SUVs, although it is expected that they will become standard in all cars within the next few years.

### GESTAMP PRODUCTS IMPROVE THE DRIVER EXPERIENCE



## Leading human and technical resources

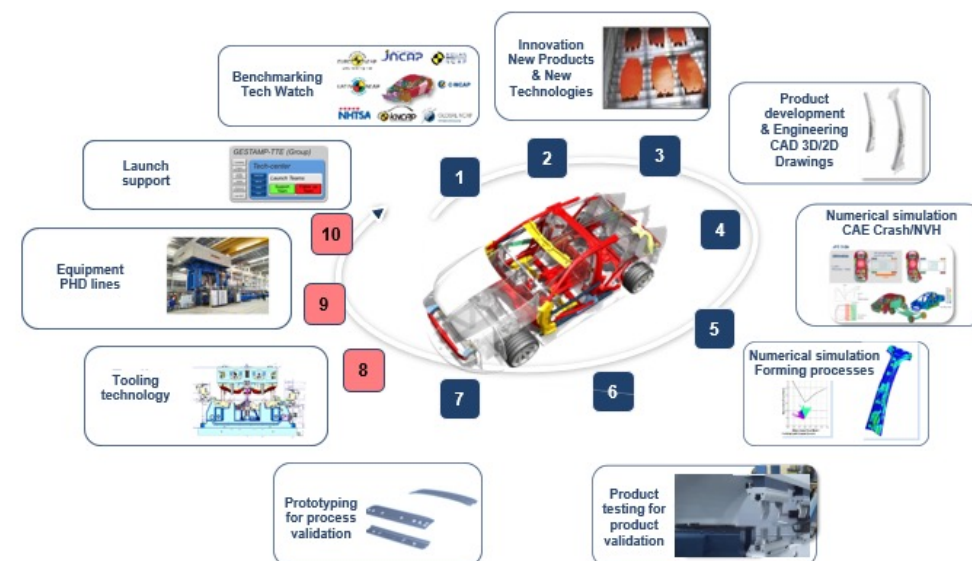
We have made significant investments in recent years in developing and expanding our R&D area, which allows us to secure our strategic relationship with clients.

By late 2020, we had a team of more than 1,600 people both in the 13 R&D centres and in production plants. Many projects see the participation of not only R&D engineers, but also stamping, metrology, welding and quality engineers, whose contribution is invaluable throughout the entire development process

1,600  
PEOPLE INVOLVED IN  
DIFFERENT PROJECTS

13  
R&D CENTRES

### WE ARE INVOLVED IN THE ENTIRE VEHICLE DEVELOPMENT CYCLE





## WORKING FOR A SAFER AND LIGHTER CAR



### Physical and virtual laboratories

Although our R&D teams work with the latest design and simulation tools, they also develop their own internally to improve processes, increase efficiency and to save time.

We also have mechanism resistance and reliability testing labs that use specific machinery to materially evaluate the developments designed by means of prototypes. The passive safety and crash tests are conducted at our lab in Luleå (Sweden).

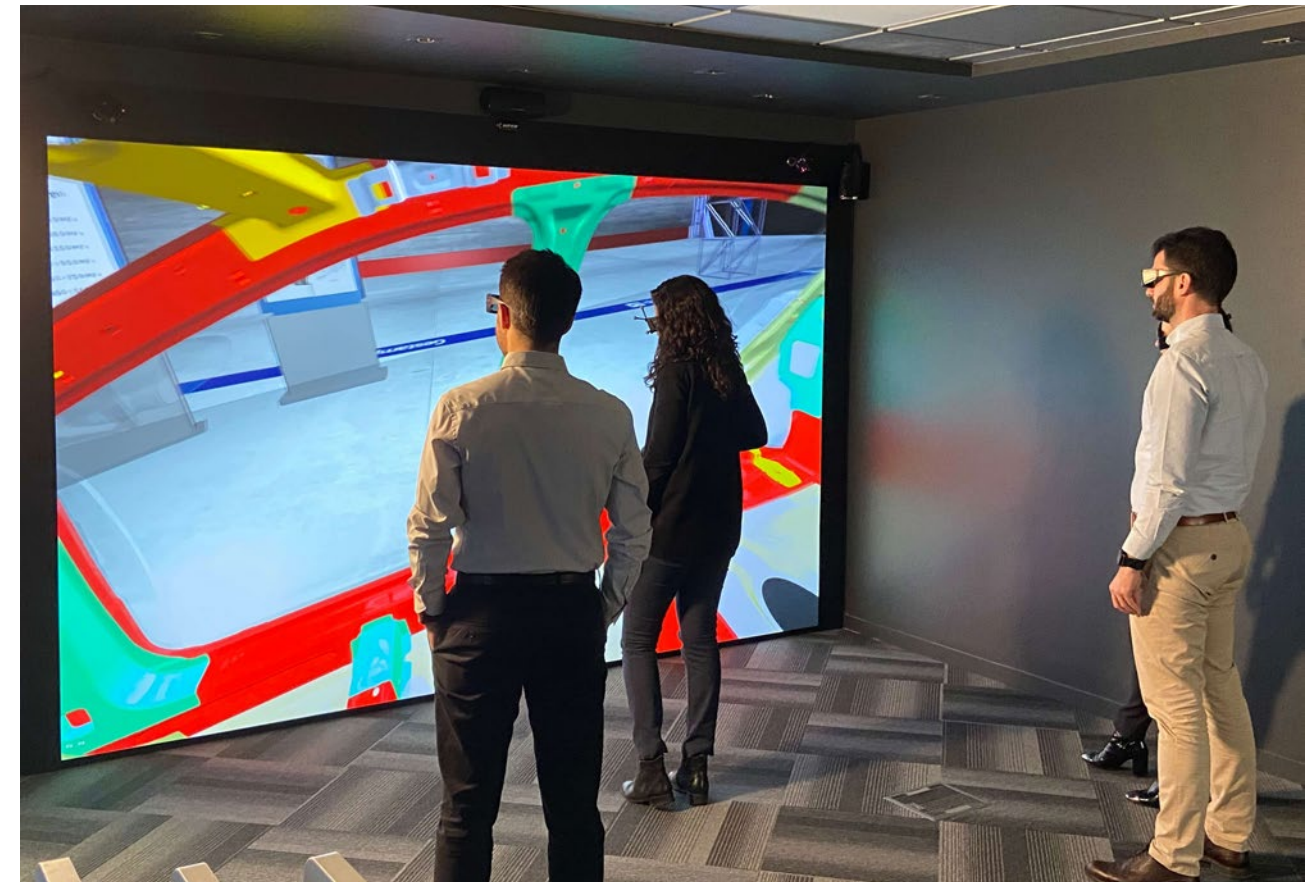
With each new model, vehicle manufacturers must reduce development cycles.

In recent years, Gestamp has developed virtual tools for testing new technology and new products, known as GLABs ("Gestamp Laboratory Cars").

With these models, much of the development and testing can be done in a virtual environment, thus speeding up the design, test and approval phases.

Gestamp has numerous virtual models of combustion engine cars and, since 2018, has also had virtual models of plug-in hybrid electric vehicles (PHEV) and other electric vehicles. These models enable us to anticipate the impact of new technologies, new designs and/or materials on the body-in-white and chassis and to assess them in terms of weight, performance and cost.

In addition to cars in various ranges and engine types, Gestamp also designed and simulated new technologies such as Ges-Multistep and Ges-Softbend. Through these simulations, all the process phases were perfectly analysed and launch periods were considerably reduced.



### New Materials

In a bid to develop new, safer and lighter products, we at Gestamp are conducting research into the development of new materials. We believe that the kind of structural materials used will gradually change in the years to come, with an increase in the use of aluminium, carbon fibre, new high-strength steels and multi-material hybrid structures.

top-of-the-range vehicles and improve efficiency. But the cost and processing of this material, combined with limitations on recycling it, makes it less attractive for mass produced vehicles.

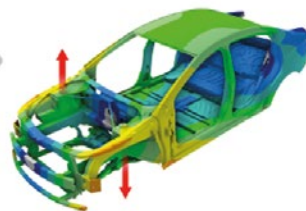
- **High-strength and ultra-high-strength steels:** the use of advanced high-strength steel and ultra-high-strength steel helps to reinforce vehicles to protect the passenger compartment in the event of an accident.
- **Aluminium:** the use of aluminium reduces the weight of top-of-the-range models by applying aluminium solutions to skin parts and vehicle doors.
- **Carbon fibre composites:** some manufacturers have used carbon fibre to reduce the weight of

- **Multi-material structures:** companies such as Gestamp are investing in new technologies and machinery to create multi-material structures as part of the existing manufacturing process and value chain. This formula paves the way for a wide range of innovations which make parts lighter, thus satisfying the need to reduce fuel consumption and emissions.

#### FULL CRASH VALIDATION



#### STIFFNESS ANALYSIS



#### VIBRATORY ANALYSIS





## New Technology Development

In the hot-stamping field, development of the new Ges Multistep technology continued, optimising the process for different types of steel, including zinc materials with a new, improved corrosion protection coating.

New processes have also been developed that now enable hot-stamping of a material with +25% strength. A laser post-treatment is required in the manufacturing of this material to give it sufficient ductility to achieve the best crash test results.

Three partial tempering methods are used to generate different mechanical properties along the length of a part in order to enhance performance in the event of a collision. New degrees of hardness/absorption have been achieved so that deformation is even further controlled.

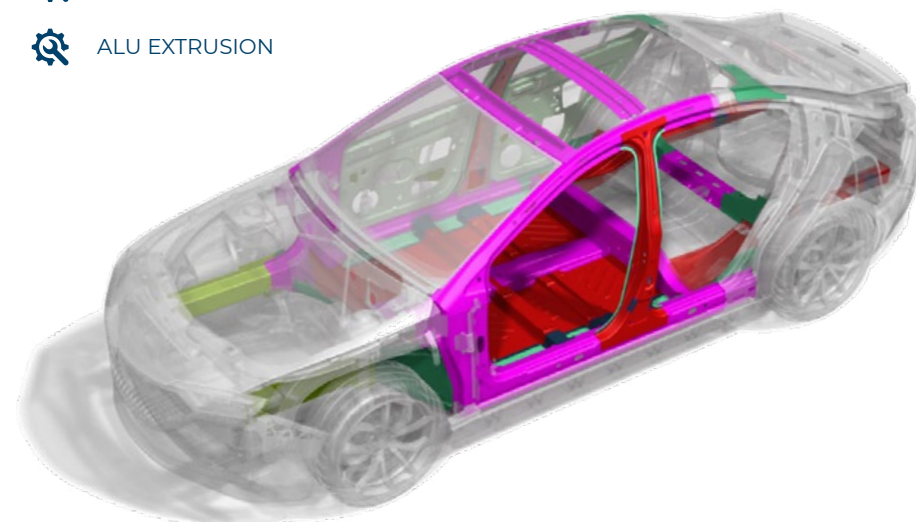
Gestamp has managed to produce parts with “soft zones” that feature different degrees of hardness and absorb the force of the impact by using different production processes:

- During forming (on the forming die/tool).
- Generated after forming (post-treatment featuring an alternative heat source, laser, induction, Ges Softbend).
- Generated before forming (in the heating furnace)

These developments position Gestamp as the most advanced supplier on the hot-stamping market, offering a wide range of materials with different strength and coating characteristics.

### TECNOLOGIES

- MULTISTEP
- 2000 MPA & SOFT ZONE BKT
- HOTSTAMPING ALUMINUM
- ALU EXTRUSION
- ALU MULTIMATERIAL
- FURNACE SOFT ZONE

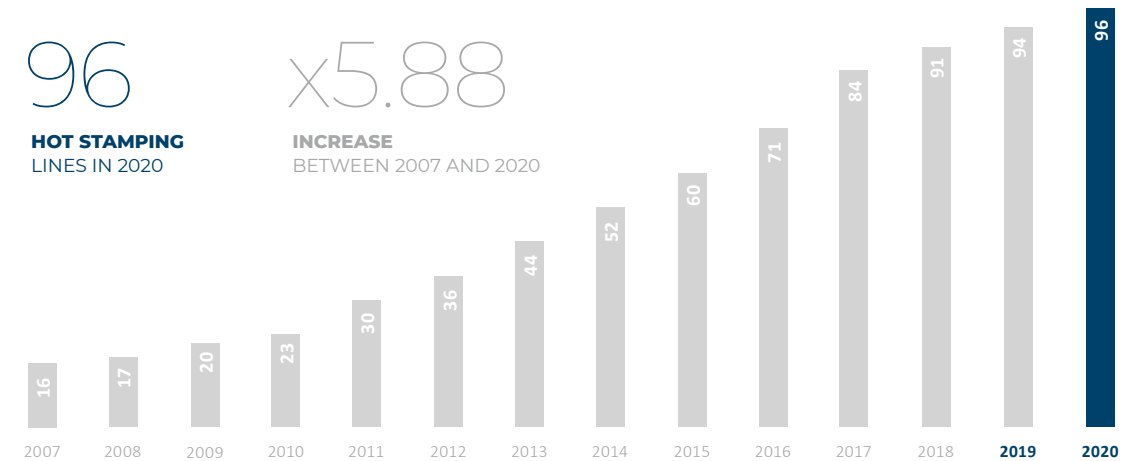


96

HOT STAMPING  
LINES IN 2020

x5.88

INCREASE  
BETWEEN 2007 AND 2020



The progress seen in the in-furnace process for manufacturing parts in 2020 has prompted our clients to increase the number of orders for products manufactured using this technology, which will begin production in 2021.

Gestamp has moved beyond steel to bring this hot-stamping technology to aluminium as well.

The need to reduce vehicle weight had led some manufacturers to turn increasingly to aluminium for certain components such as doors.

The low level of formability and the high elastic recovery of this material in the conventional cold stamping process has prompted our R&D department to process hot stamping, which produces parts with a design that is very similar to those made of steel, but much lighter and with almost no elastic recovery.

Both materials can currently be used on Gestamp’s hot-stamping lines, changing only the process parameters.

By the end of 2020 Gestamp had a total of 96 hot-stamping lines installed.

New aluminium extrusion processes have been developed for the manufacturing of battery boxes, producing highly ductile, large cross-section profiles. This enables us to manufacture boxes with very light-weight frames to protect the battery.

## New Product Development

Product innovation at Gestamp comes from the application of new technologies to create lighter, more efficient components.

Since ideal performance in the event of a front or rear impact is always a priority, longitudinal beams must be designed to respond to the different types of impact to which they may be subject and to predict the kinematics of the deformation to avoid excessive deceleration and intrusions into both the passenger cabin and the other vehicle that may be involved in the crash.

The use of hot-stamped longitudinal beams with soft zones combined with bumpers featuring laser-welded crossbars is an example of innovation thanks to the application of new processes.

In 2020 we also partnered with several clients to develop aluminium solutions and multi-material solutions.

To enhance the product solutions for side collisions, back in 2019 Gestamp launched large-scale hot-stamped products onto the market like the “One Piece Door Ring”. Further innovations were implemented on this product in 2020 thanks to the application of the “patch” and “overlap patch” technique, making it possible to double the size of these assemblies to achieve a full single-part side structure. These designs not only improve product weight, but they also make them more attractive from an economic perspective. Throughout the year, in 2020 our clients continued to rely on this product.

A number of door-related projects have been developed with clients, managing to enhance steel products through hot-stamping techniques.

Average- to low-capacity urban vehicles for passenger transport and mobility (UPM, or Urban People Movers) must enable passengers to enter and exit conveniently, must be as spacious as possible and also meet passive safety standards.

In this setting, Gestamp has developed a comprehensive sliding door system. The integration of the structural elements of the uprights into the sliding door is achieved and a strong structure in the central body of the door is optimised. This product features the latest innovations by Edscha for sliding systems and automatic opening.

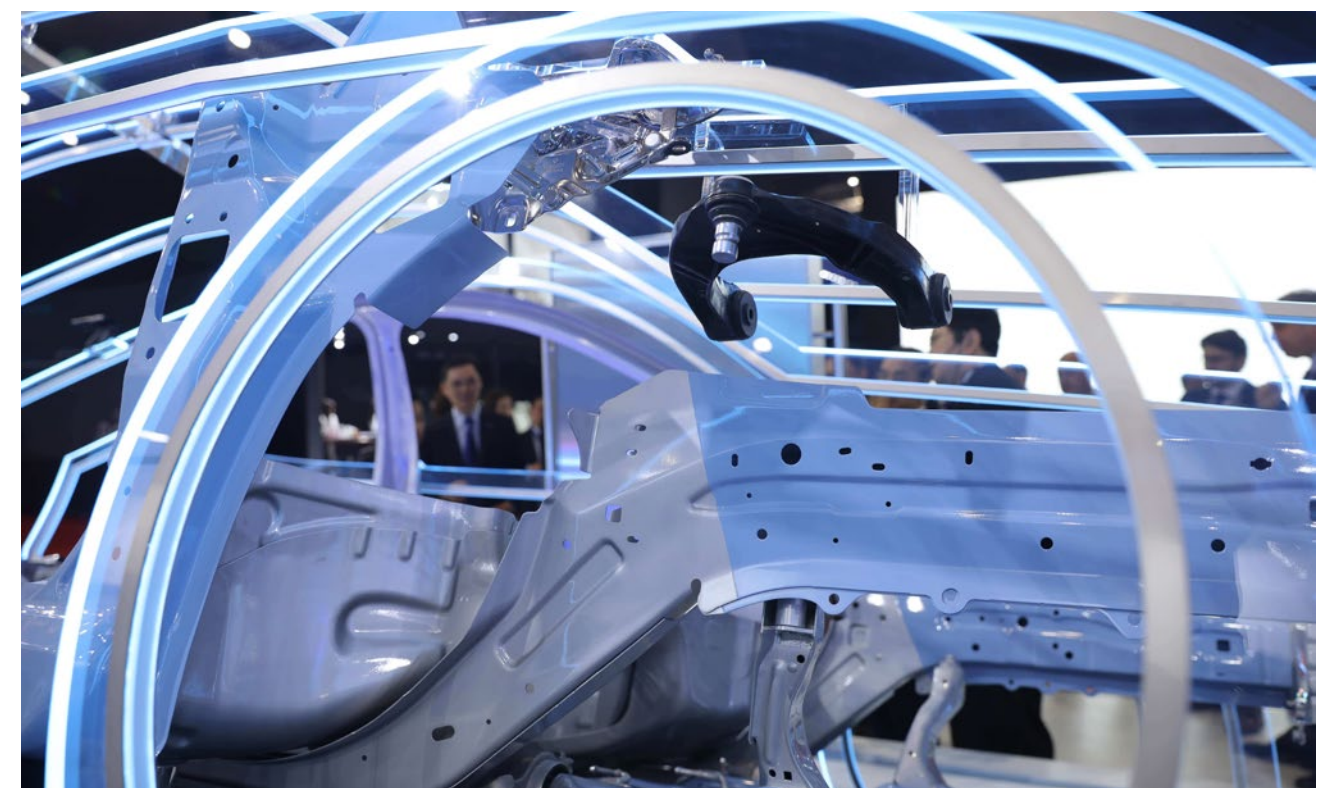
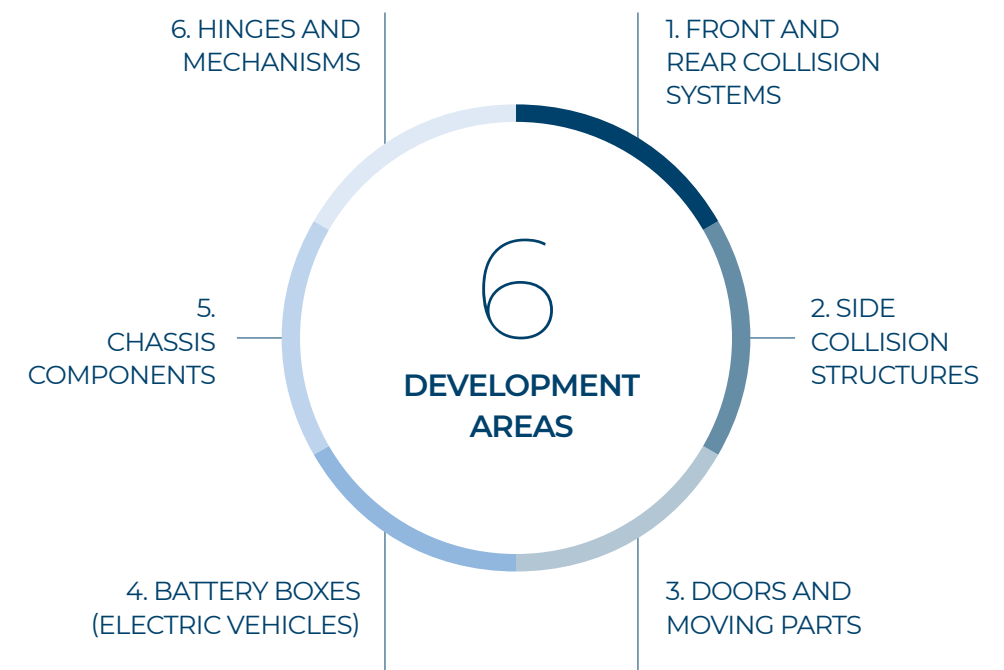
When it comes to electric vehicles, battery protection was one of the areas in which the most R&D progress was made with clients.

Gestamp collaborated with its clients on several battery box projects in 2020, and has also developed a number of product concepts, depending on the type of mobility. Thus, various designs were validated with different metal materials and joint technologies.

These new concepts for battery boxes were developed in conjunction with some of the leading cell and cooling system suppliers on the market.

As for chassis, Gestamp has managed to develop optimal solutions in terms of weight and cost for the standardisation of platform components, along with new, more economical paint developments. Following several solutions developed with clients, in 2020 important contracts were concluded for mass produced supply.

Edscha developed numerous innovative projects with our clients focusing on improving vehicle accessibility and other mechanisms for increasing safety in the event of an accident.





## Significant R&D projects in our business units



### ADVANCED HIGH STRENGTH STEEL LEADER

Global Development Centres



SDG 12  
Responsible consumption and production



SDG 13  
Climate Action

Gestamp has developed a front lower control arm (FLCA) using hot rolled CP1000, which allows the steel plate gauge to be shortened by 0.5 mm, thereby reducing the weight of the part by 11% per arm when compared with the same part made using standard CP800 grade steel.

Hot rolled CP1000 steel has been developed and marketed by Gestamp in cooperation with European steel suppliers for the chassis applications in this project. Gestamp has also started to develop this quality with local steel suppliers for the North American and Asian markets, in order to make it available for global use.

The hot rolled CP1000 has been developed for chassis applications and has been dedicated for use in arms and links that require good fatigue strength and shock absorption. The high level

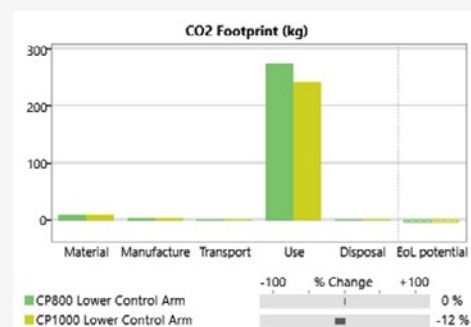
of strength of this material enables a single housing design that reduces weight and costs, taking into account the global manufacturing strategy and flexible production.

Following internal analyses of the material's behaviour during Design and Analysis, Testing, Fatigue and Construction, Gestamp developed this solution, from the initial concept, construction and test validation stage through to production.

Thanks to its ability to design and manufacture individual housings using high-strength CP1000 grade steel, Gestamp can offer its customers optimised chassis solutions that meet the demanding performance, weight and cost requirements of vehicles. This solution has been used in the new Toyota Yaris, named car of the year 2021.

Gestamp is using this material to develop a lightweight trailing arm that reduces the weight of each part by 11% compared with the previous design. This weight reduction in just one part of the chassis has significantly reduced the vehicles' carbon footprint (15% reduction in CO<sub>2</sub>).

Gestamp is continuing to develop new chassis parts with CP1000, using our design and structure expertise to help our customers meet the challenges of the next generation of vehicles.



### GLAB, GESTAMP LABORATORY FOR AUTOMOTIVE PRODUCT VALIDATION

Paris R&D Center



SDG 12  
Responsible consumption and production

Gestamp R&D has developed GLAB, a program focused on the development of its own numerical vehicle prototypes, with the aim of validating new products solutions and technologies for different automotive segments.

In order to cover all the mobility scenarios that the automotive sector is facing today, the GLAB program has been created for different vehicles sizes and all powertrains. The so-called GLAB Family covers all sizes from mini car (G1, segment A), small car (G2, segment B), medium sedan (G3, segment C, D), Compact SUV (Gx3, C-SUV) and Luxury SUV (Gx4, D-SUV).

Those full numerical models offer the possibility to analyze deeply the impact of powertrain modifications on the BIW, since GLAB vehicles have ICE, PHEV or EV versions.

Considering the new electrification challenges, Gestamp R&D have worked on two battery solutions: non-structural and structural. In this way, the performance of Gestamp solutions can be validated in any given situation.

Focusing on Lightweight, Safety and Sustainability, the performance of Gestamp body structure products can be tested, in order to check stiffness, crash, noise, vibration and Harshness (NVH). Always taking into account the different markets crash regulations.

## Participation in strategic events

Over the past few years, the marketing, R&D and Sales teams have established a calendar of strategic events for Gestamp, enabling them to attend the main automotive events in diverse regions around the globe.

Gestamp also participates in activities arranged by our clients and other stakeholders such as universities, associations and business partners.

In 2020 the world was affected by the pandemic caused by COVID-19, and the company was forced to adapt to the new circumstances.

### Technological Events and Public Fairs

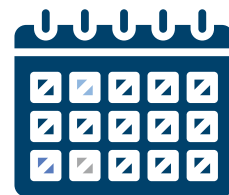
In 2020, we took part in several technological conferences and events, in person during the early months of the year and later virtually, presenting core Technologies and Innovations to an audience of experts. This type of events allows us to provide deeper insight about our concepts and innovative developments.

Another key feature of our strategy is attendance at leading Automotive Fairs in our core regions. By attending these fairs, we can show the market the latest innovations at Gestamp and strength our position as a leading international supplier of automotive components. Several of these fairs were cancelled or postponed due to the pandemic in 2020.

### Technology workshops

Our R&D and Sales teams have close, ongoing relationships built on trust with our clients and development partners. This enabled us to implement customised internal events known as “Gestamp Tech Days”, where we presented our latest innovations in a private setting in line with the topics and concerns of a limited group of clients and partners.

Following our strategy, in early 2020 we were able to arrange a few Tech Days with clients, which moved into the digital realm as the year progressed to become online meetings known as “Gestamp Tech Talks”.



FEBRUARY

Auto Expo Components 2020



OCTOBER

Automotive World Nagoya



OCTOBER

EuroCarBody



## VIRTUAL TRADE SHOW: AUTOMOTIVE WORLD NAGOYA

Nagoya (Japan)



SDG 17  
Partnerships to achieve the goals



VISIT OUR REPRESENTATIVE STAND



Gestamp participated in several virtual trade shows in 2020. The largest one, where Gestamp showed its full potential to adapt to new circumstances, was the Automotive World Nagoya show, held in Japan in October 2020.

In addition to physically attending the show with an exhibition stand, we presented our new products and technologies through virtual reality in a digital space that could be accessed from anywhere in the world, although the focus was on our Japanese clients in this particular case. Of course, the synergy between

the virtual and the physical could also be seen at the trade show in person, as those attending could access the virtual presentation via the QR codes on the stand.

Having now used virtual reality and discovered the advantages it offers, Gestamp has decided to continue participating in virtual trade shows in order to stay close to its customers and remain at the forefront.

“2020 has been a year full of challenges in every way. Developing a digital showroom has been the perfect solution to present our products and innovations both at the event and remotely. This is also a great way to keep working on new digital solutions.”

FRIEDERIKE HAIN

EVENTS & CUSTOMER APPROACH IN CORPORATE  
COMMUNICATION, MARKETING & INSTITUTIONAL AFFAIRS

“Having an online stand is a great opportunity to present our products in an attractive way. Also, it has provoked great interest from our customers and visitors to the event.”

YUKO OTA

SALES AND MARKETING COORDINATOR,  
GESTAMP JAPAN



# ENVIRONMENTAL DIMENSION

+ 86 ENVIRONMENTAL  
MANAGEMENT  
AND THE CIRCULAR  
ECONOMY

+ 100 CLIMATE  
CHANGE



# Environmental management and the Circular economy

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- Policy and environmental management **88**
- Certifications and human, technical and economic resources **89**
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- Biodiversity **98**



## Our approach

Gestamp's environmental management is comprehensive. We apply environmental criteria at every stage of production, from the selection of our suppliers and optimisation of raw materials to the way we manage the energy consumed in manufacturing components and management of waste and of greenhouse gas emissions in the product usage stage.










Policy and environmental management

In order to control and minimise the environmental impact of its activity, the Group has established an Environmental Policy that requires the following from all its production centres:

- Implementation and maintenance of a certified Environmental Management System in accordance with international standards (ISO 14001 or EMAS).
- Quarterly reporting of the main environmental aspects through a management tool for monitoring environmental performance, identifying improvements and sharing the implementation of best practices. In this way, the data from all the production centres on water consumption, raw material consumption, waste management, waste production, energy consumption, environmental incidents and best practices is reported to Corporate, which audits it and carries out comprehensive monitoring of its evolution at each of the centres and for the Group as a whole, based on the following key indicators:

key indicators

 <b>WPI</b> WASTE PRODUCTION INDEX	 <b>WMI</b> WASTE MANAGEMENT INDEX	 <b>WCI</b> WATER CONSUMPTION INDEX	 <b>EEI</b> ENERGY EFFICIENCY INDEX	 <b>CO<sub>2</sub> EI</b> CO <sub>2</sub> EMISSION INDEX
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Certifications and human, technical and economic resources

Certifications and audits

As of 31 December, the Group had 90% of the plants certified in accordance with the ISO 14001:2015 standard and/or EMAS. Three new production centres were built or purchased during the past year to become part of the Group.

Because of the forced parenthesis and mobility restrictions in place as a result of COVID-19 in 2020, Gestamp cancelled most of the Group's visits and travel. This altered our road map, so we have pushed our goal of certifying 100% of our plants back to 2024, considering the scope in 2019.

Likewise, each of the plants is audited both externally and internally every year. In order to carry out internal audits, the Group encourages cross audits in which two specialists from two plants audit a third plant in order to share experiences, replicate solutions, propose improvements, etc. This project is currently implemented in plants in Spain, Portugal and Germany. In 2020, the audits were conducted remotely, as they could not be carried out in person.

90%

OF THE PLANTS CERTIFIED  
IN ACCORDANCE WITH THE ISO 14001

Cross audits between  
plants in **Spain, Portugal  
and Germany**

Resources earmarked for environmental prevention: people, provisions and guarantees

At Gestamp, we have a professional team dedicated to complying with environmental requirements both at the corporate level and at each of the plants. Environmental technicians report quarterly to the corporate team, who monitor and evaluate the indicators.

Total investments in systems, equipment and facilities relating to the protection and improvement of the environment amounted to 5,036 million euros gross at year-end 2020, while at year-end 2019 said investments amounted to 5,096 million euros.

The expenses incurred in 2020 in relation to the protection and improvement of the environment amounted to 1,091 million euros, compared to 1,114 million euros in 2019.

Regarding environmental risks, Gestamp makes financial provisions to cover their implementation. Additionally, the company has guarantees in the form of insurance that can cover the occurrence of environmental risks:

- Environmental Liability Insurance
- Third-Party Liability Cover for Sudden and Accidental Pollution in the General Third-Party Liability policy.

In 2020, we had just one incident at Gestamp Ronchamp (France) caused by spillage of a chemical substance, which was solved without calling for the activation of the guarantees under the Environmental Liability Policy that the Group has taken out. The analysis of these kinds of events has allowed us to establish prevention and correction measures.

# Sustainable Use of Resources



Water is a limited natural resource, and while we do not use it intensively, we do have savings and efficiency plans in place.

Water consumption at our production plants is predominantly for domestic use. At plants where surface treatment processes take place, such as painting or galvanising parts, or hydroforming processes, there is an industrial use of water. Only 27% of the Group’s centres have such a process.

To monitor the development of water consumption, we use the Water Consumption Index (WCI) which measures the m3 of consumed water/€ 100,000 of added value. The significant variation experienced in this index depends on the part being painted, which directly relates to the projects being worked on with the client at any given time. The painting of skin parts, which will eventually be placed on the outside of vehicles, involves certain quality requirements that make it essential to frequently change the baths on the cataphoresis lines. As such, there is a considerable increase in water consumption. Conversely, the baths can be reused in the treatment of structural parts, which entails a low water consumption and a reduction in the WCI.

During 2020, we reduced water consumption in our production processes as a result of the stoppages in operations caused by the COVID-19 crisis. However, the use of water in cleaning and disinfecting work to eliminate the virus increased. Therefore, the level of water consumption was just under the levels of previous years.

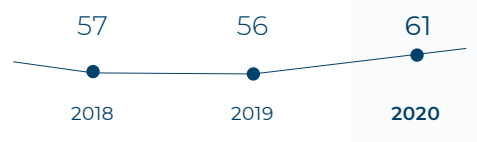
WATER CONSUMPTION ACCORDING TO THE SOURCE (M³)	2018	2019	2020
Public Network	1,413,842	1,471,513	1,329,641
Surface Water	240	240	240
Underground Water	246,260	256,354	244,504
TOTAL	1,660,342	1,728,107	1,574,385

WATER CONSUMPTION PER REGION (M³)	2018	2019	2020
Europe	763,331	798,755	701,066
North America	339,769	355,219	361,170
South America	130,340	160,653	146,843
Asia	426,902	413,480	364,407
TOTAL	1,660,342	1,728,107	1,574,385



WCI  
WATER  
CONSUMPTION INDEX

WATER CONSUMPTION INDEX EVOLUTION  
(m³ of water consumed /100,000 euros of added value)



CDP 2020 WATER SCORE

- B – Gestamp
- B – Average of Metal Sector Companies
- B – European Average
- B – Global Average

In addition, since 2015, we have completed the CDP Water Disclosure questionnaire, which specifically regards water issues, publicly disclosing our water footprint and providing information on the different aspects in managing the resource. The rating obtained in the CDP Water 2020 was “B-”, in line with the “B-” average for companies in the Metal Sector.

## HARVESTING RAINWATER FOR THE COOLING TOWER PROCESS

Gestamp Toluca (Mexico)



SDG 6  
Clean water and Sanitation



SDG 9  
Industry, Innovation and Infrastructure

The rainwater harvesting project is one of the good deeds in the “save water” campaign. Toluca has a warm-temperate climate with a rainy season lasting around 6.3 months, making it the ideal place for this type of activity.

The initiative consists of harvesting rainwater that runs down the drainpipe from the roof of the building, analysing it, measuring the suspended solids parameters, PH and conductivity and pouring it into the cooling towers through a suction pump where it then passes through a filter to ensure there are no impurities left.

The plant’s production process requires a daily water consumption of 4 m3. Thanks to this good practice, we are harvesting 2 m3, in other words, saving 50% of our normal consumption. Per month, we are managing to reduce our consumption by an average of 37 m3. Based on the 2020 rainfall records, we were able to save 297 m3 of water between April and November. Plus, we reused equipment and materials to do so.

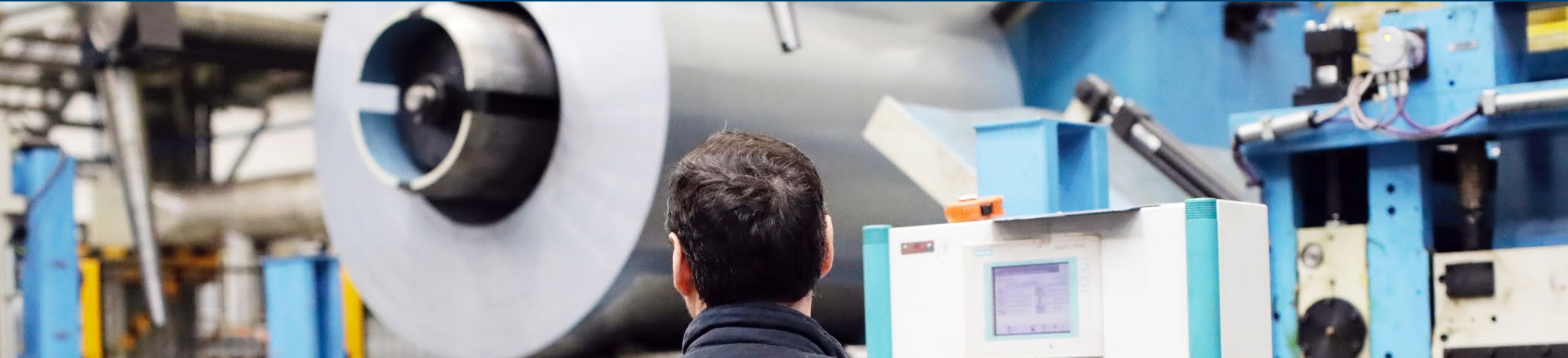


LEARN MORE ABOUT THE “WATER DAY”



The initiative was developed by the plant’s Maintenance department and did not require any physical modifications to be made to the building or specific infrastructure, or any significant investment. Initially, an external supplier was asked to evaluate the conductivity of the water and the results were then included in the annual plan without incurring any additional costs.





RAW MATERIALS

The manufacture of Gestamp parts requires the use of raw materials (steel, non-ferrous metals) and auxiliary materials (wire, welding gases, oils, etc.).

Raw materials represent approximately 44% of the Group's sales in the last three years, and steel represents over 85% of raw material purchases. In 2020, approximately 62% of the steel purchased in the Group was purchased through vehicle manufacturers' resale programmes, i.e., the manufacturer directly negotiates the price of the steel used to manufacture its parts with the steel suppliers.

Furthermore, our plants are constantly working on the characteristics of the procured materials, striving to gradually improve the way they are used, replacing oils and toxic or hazardous chemicals with other, less hazardous products or products that have a lower impact on the environment or human health.

Steel and aluminium are the most commonly used raw materials in our production processes, representing a weight of 96% and 3%, respectively, of the total materials consumed. Gestamp is working to reduce all this consumption by identifying and implementing good practices.

To a lesser extent, representing 1% of total consumables, products such as oil, paint and chemical products required as auxiliary materials to carry out our production activities are used in our plants.

Efficiency in processes, quality, product and tool design are fundamental in order to optimise and reduce raw material consumption. Therefore, Gestamp monitors all of this every quarter by means of different management systems of the Group controlled by the plants, divisions and corporate from different perspectives, in addition to the environmental perspective, such as the areas of finance, purchasing, quality and the technical office, with the ultimate goal of achieving operational excellence.

CONSUMPTION OF RAW MATERIALS AND PROCURED MATERIALS (% TN)	2018	2019	2020
Steel	99%	98%	96%
Aluminium	–	1%	3%
Other procured materials:	1%	1%	1%
Paint	7%	6%	8%
Oil	9%	9%	6%
Binder agent	7%	7%	8%
Welding wire	28%	28%	27%
Electrodes	2%	1%	1%
Chemical products	9%	10%	9%
Welding gases	38%	39%	41%

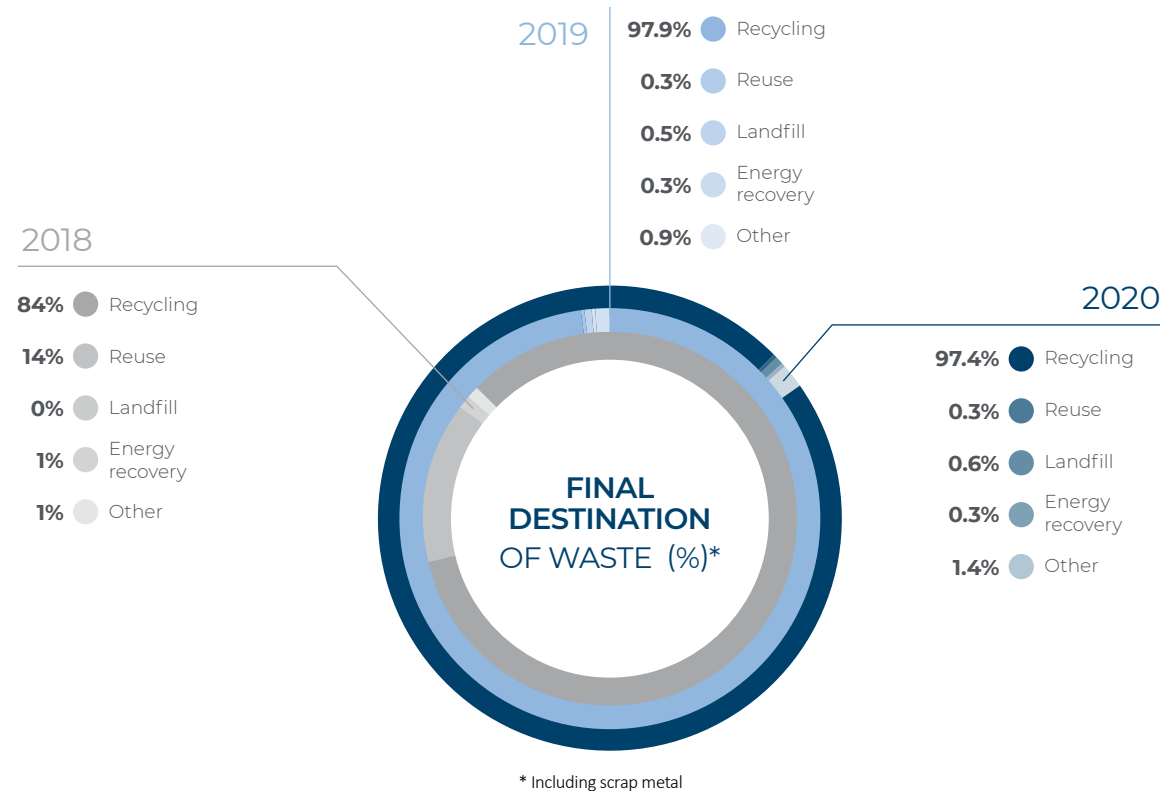
STEEL CONSUMPTION PER REGION (TN)	2018	2019	2020
Europe	1,881,299	1,933,146	1,737,760
North America	622,972	685,863	533,873
South America	244,230	272,737	214,775
Asia	288,713	248,285	233,415
TOTAL	3,037,214	3,140,031	2,719,823

## Circular economy

### Final Destination of waste

At Gestamp we have implemented a circular economy model according to which we encourage responsible waste management practices aimed at separating, reusing, recycling and recovering the vast majority of

our waste. We have a high recycling/reuse rate, with 98% of our total waste ending up recycled, reused or its energy recovered.



### Waste management

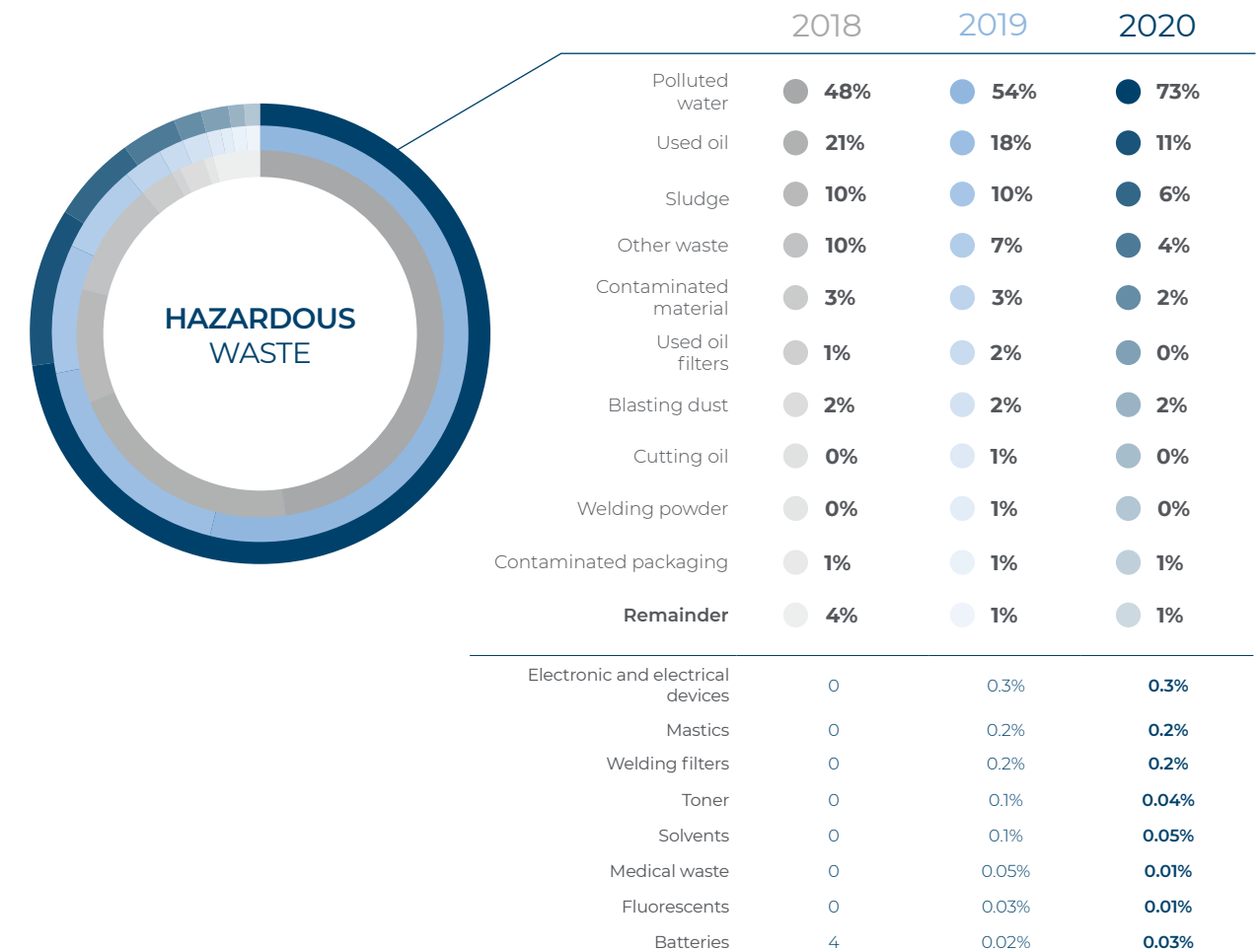
In 2020, a total of 54,578 tonnes of waste was generated, not including scrap metal. 21,585 tonnes corresponded to non-hazardous waste and 32,993 tonnes to hazardous waste.

Of the total non-hazardous waste, 98% corresponded to scrap metal. Scrap metal is a waste product that is 100% recyclable. Its reintroduction into the steel production process contributes to closing its life-cycle in accordance with our circular economy model.

TYPES OF WASTE GENERATED (TN)	2018	2019	2020
Hazardous Waste	20,786	23,449	32,993
Non-Hazardous Waste	23,875	24,517	21,585
Scrap	1,176,687	1,150,818	927,340

### Hazardous waste

In the hazardous waste category, the most frequently generated type is contaminated water, sludge, used oils and contaminated materials (cloths and gloves stained mainly with oil).



### Non-hazardous waste

The most frequently generated non-hazardous waste categories are wood, solid urban waste and paper/cardboard:

TYPE OF WASTE (%)	2018	2019	2020
Wood	42%	43%	37%
Solid urban waste	25%	25%	24%
Paper/cardboard	14%	15%	12%
Non-hazardous sludge	4%	5%	3%
Other non-hazardous metals	5%	5%	5%
Other non-hazardous waste	7%	4%	4%
Plastic containers	2%	3%	3%
Non-hazardous oil	1%	0%	13%



## RE-FILTERING OIL FROM HYDRAULIC PRESS MACHINES

📍 Gestamp Baires (Argentina)



**SDG 12**  
Responsible production and consumption

We incorporated equipment to monitor and filter this type of oil because it is one of the main substances consumed by hydraulic presses.

The equipment analyses the oil in order to find out if it is in a suitable condition to be reused based on its physical and chemical properties. It then filters it and returns it to the hydraulic press machine, thus avoiding the need for precautionary oil changes.

With this initiative, we have managed to save over 50% of our oil consumption in the hydraulic press machines, as well as reduce the amount of hazardous waste generated.



## IMPLEMENTING COMPOSTING

📍 Gestamp Baires (Argentina)



**SDG 12**  
Responsible production and consumption

Implementing in-plant composting allows for “in-situ” treatment of the organic waste produced by leftover food in workplace canteens.

Through this initiative, organic waste is transformed into natural fertiliser or compost and used in an organic garden created specifically for this purpose. This allows us to make an impact on society by reducing the amount of waste sent for processing and promoting environmental awareness among our employees.

A large part of implementing composting depends on our staff knowing which types of waste are compostable and which are not, so specific training was provided to help with this.

Although this type of waste is not the most commonly produced in the plant, this initiative enables us to raise awareness of recycling among our employees and encourage them to start doing it at home.



### Plastics

In 2020, we collected 693 tonnes of plastic containers at Gestamp, 94% of which is recycled, 2% is reused and 3% is sent for energy recovery, while just 1% goes to landfills, the last option for ultimate disposal of this waste product.

### Waste-related indexes

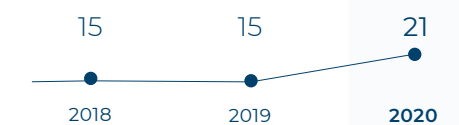
Group-wide, we work with two indexes that show us the trends in waste generation and management. As a result of the business downturn in 2020, added value dropped to a greater degree than the reduction in waste and, as such, the Indexes increased over the year.



**WPI**  
WASTE PRODUCTION  
INDEX

#### WASTE PRODUCTION INDEX EVOLUTION

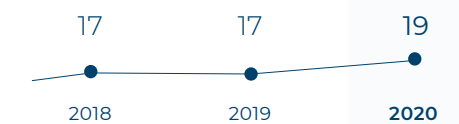
(tonne of waste/€ 1,000,000,000 of added value)



**WMI**  
WASTE MANAGEMENT  
INDEX

#### WASTE MANAGEMENT INDEX EVOLUTION

(cost of waste management in thousands of euros/€ 10,000,000 of added value)



## Biodiversity

All of Gestamp's production plants are located in urban and industrial areas.

In 2020, we continued with the detailed analysis of the situation of our production centres in relation to nearby protected areas. The study concluded that, although 69% of our plants are located in an area close (<5km) or adjacent to a protected natural environment, given the characteristics of our processes, the risk of affecting the natural environment is very low at 88% of these plants. According to the internal risk assessment, the risk is considered to be high in plants

with industrial surface treatment processes that release their waters into public waterways. Only 8 plants in the Group meet these conditions and, through internal audits, we carry out the necessary controls to ensure that they have implemented an accident/environmental incident prevention plan that minimises the occurrence of a possible event.

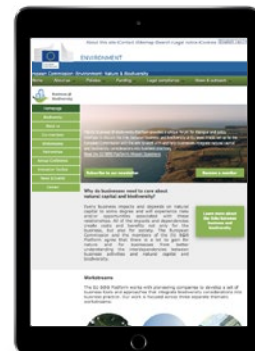
As a residual risk, Gestamp controls environmental noise and light pollution within the operational control of the environmental management system certified under ISO 14001 and/or EMAS.

### EU BUSINESS@BIODIVERSITY PLATFORM OF THE EUROPEAN COMMISSION

At the same time, we continue to voluntarily participate in the European Commission EU Business@Biodiversity Platform.

On this platform, we work with pioneering companies to develop tools that help integrate biodiversity into different currently existing business models. The work focuses on three main areas

LEARN MORE ABOUT  
THE PLATFORM



#### NATURAL CAPITAL ACCOUNTING

Helping companies identify best practices and available tools for assessing and integrating biodiversity into company decision-making, as well as developing systems for assessing the current natural capital in the different supply chains.



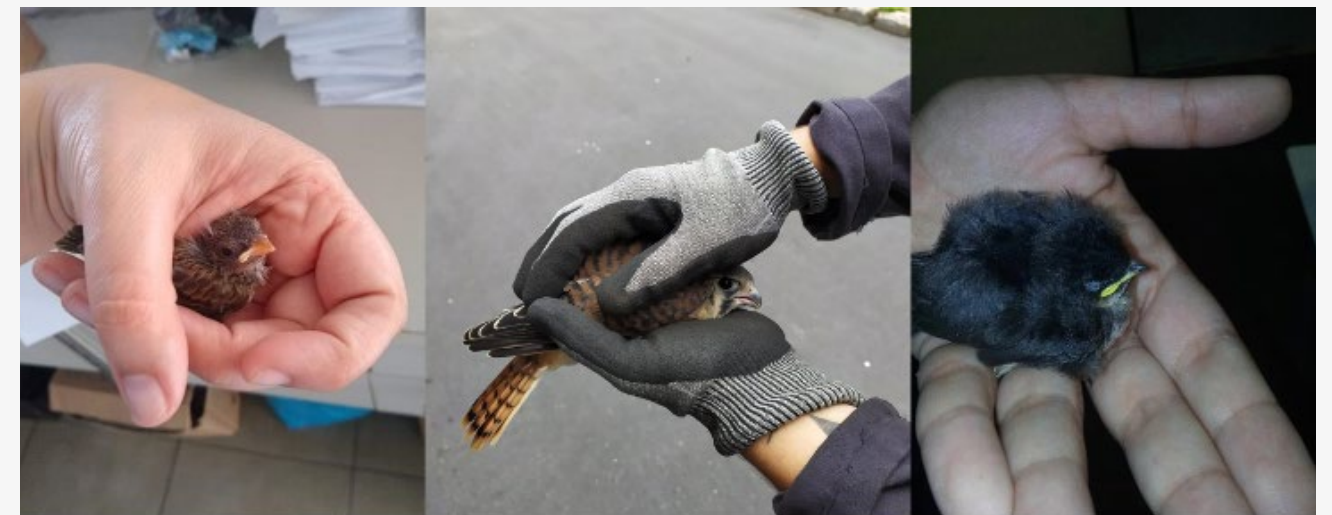
#### INNOVATION FOR BUSINESS AND BIODIVERSITY

Promoting innovations that contribute to valuing, protecting and enhancing biodiversity and natural capital by developing a toolkit for assessment and sharing and identifying opportunities and best practices.



#### FINANCE

Facilitating a Community that provides a forum of dialogue between financial institutions to share experiences, raise awareness and promote best practices at EU level on how to integrate biodiversity and natural capital into financial activity trends.



## RESCUING LOCAL FAUNA

Gestamp Gravataí (Brazil)



SDG 15  
Life on land

Due to its proximity to the Banhado Grande environmental protection area, Gestamp Gravataí co-exists with a rich and diverse native fauna, especially birds. This initiative has been launched in order to protect them from potentially dangerous situations such as becoming stuck, damaged in the production area or nesting in containers of parts pending shipment. All employees are participating and notify the Environmental Management System if any of these situations occur, so that the environmental analyst can evaluate the situation and take the necessary measures.

The programme runs all year round and increases during the summer due to the species' breeding season.

All rescued animals are sent to a Veterinary Clinic that specialises in Wildlife. In special cases such as when animals need to be rescued from a height, are poisonous or somewhere difficult to access, the plant is helped by the local Environmental Police and Gravataí Environment Secretary's Office.

"I think the company's commitment to preserving the environment through actions such as rescuing birds and other animals is very important. I am always alert and have already helped to rescue a baby falcon that could not fly well and was in the shipping area."

KAIRO FONSECA

GESTAMP GRAVATAÍ LOGISTICS DEPARTMENT



# Climate Change

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## Our approach

Climate Change is becoming increasingly important for society, and also for Gestamp. Our Group displays its commitment to this topic by pursuing the following goals:

- Fulfilling our internal commitment to ongoing improvement set forth in the Group's Environmental Policy.
- Responding to the expectations of society today, which is demanding solutions to this issue. This social movement is reflected at the institutional level through the entry into force of the first universal agreement to fight climate change, the Paris Agreement, which confirms governments' commitment to reduce CO<sub>2</sub> emissions and promote low carbon economies, and through the European Union's recent approval of the Green Deal, which aims to make Europe the first climate-neutral continent by 2050.
- Meeting the expectations of our stakeholders in terms of climate reporting and transparency:
  - Requirements imposed by our upstream customers in the supply chain
  - Diverse surveys by our investors, who rate our performance in terms of Climate Change

In line with the global commitment to limit the temperature increase to 2°C under the Paris Agreement, in 2020 we received official validation of our emissions-reduction objectives through the Science Based Target initiative.

Gestamp has committed to a 30% reduction of its total emissions in scopes 1 and 2, and a 22% reduction in scope 3 before 2030, taking 2018 as the base year.

These objectives address the greenhouse gas emissions generated in the Group's operational processes and they are consistent with the reductions required to keep global warming well below the 2°C established in the Paris Agreement.

As such, Gestamp is among the first ten Spanish companies and the first in the automobile sector to obtain official endorsement of their emissions-reduction goals, demonstrating its firm commitment in the fight against climate change.

### GESTAMP IS COMMITTED FOR YEAR 2030 TO:

30%

**REDUCTION**  
OF OUR TOTAL EMISSIONS IN SCOPES  
1 AND 2 (TAKING 2018 AS BASE YEAR)

22%

**REDUCTION**  
IN SCOPE 3 (TAKING 2018 AS THE  
BASE YEAR)

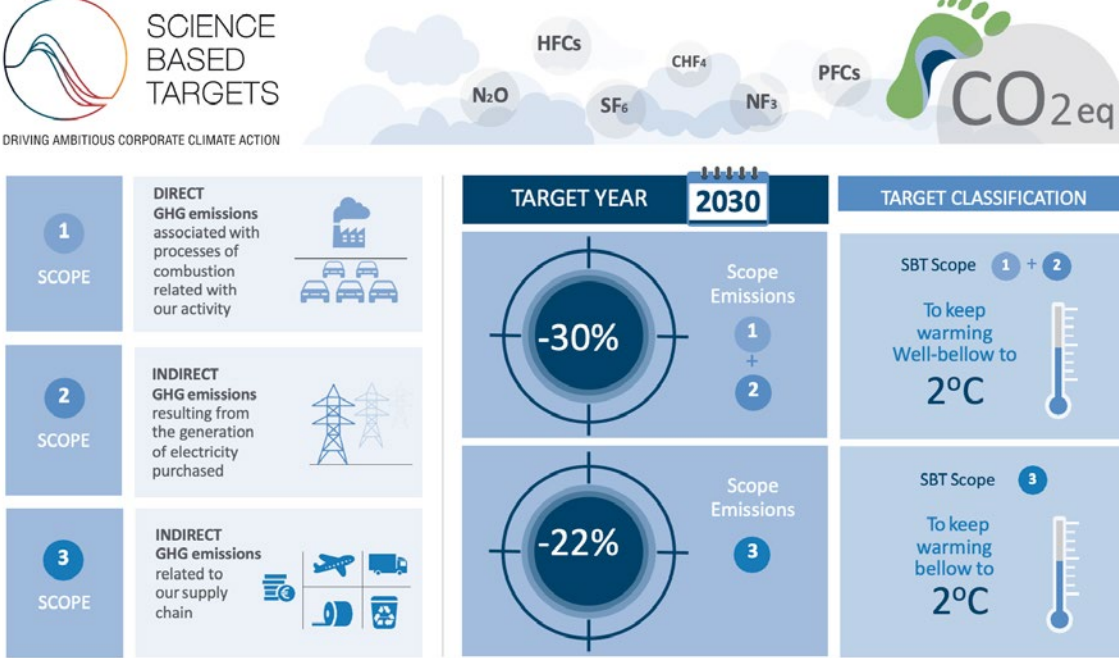
## SBTI

## TARGETS

SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Gestamp  
WORKING FOR A SAFER AND LIGHTER CAR



To achieve this, we are focusing our efforts on the following lines of action:



**OPPORTUNITY AND RISK ANALYSIS AND ASSESSMENT:**  
Identify and quantify potential impacts of climate change.



**GHG ENVIRONMENTAL IMPACT MANAGEMENT:**  
Monitoring and controlling the main environmental indicators affecting GHGs.



**ENERGY EFFICIENCY:**  
Reducing energy consumption and, therefore, greenhouse gas emissions in our production processes.



**RENEWABLE ENERGY SUPPLY:**  
Incorporate clean energy into the supply system.



**TECHNOLOGICAL AND R&D CAPACITY:**  
Providing added value through its technological and R&D capacity to develop new products and innovative solutions that lead to lighter parts being manufactured, which help its customers to reduce their CO<sub>2</sub> emissions, as less weight means less fuel consumption and fewer emissions during the vehicle's useful life.

# Opportunity and risk analysis and assessment

In 2020 Gestamp continued the analysis undertaken in 2019 to assess the risks and opportunities of Climate Change affecting our business in order to:

- Anticipate and adapt to the climatic risks that affect business, as well as take advantage of the opportunities it may offer
- Measure the financial impacts of climate change according to different scenarios and possible futures.

As a result of the study, we have identified the following risks and opportunities:

Currently, we continue with this work with the objective of financially quantifying both the opportunities and risks identified.



RISKS

Physical

Interruption of the raw material supply due to the occurrence of extreme weather events (droughts or prolonged flooding.)

Extreme climatic phenomena in own factories that may bring production to a halt or cause damages in the facilities.

Transition

Increase in the price of energy leading to increased production costs



OPPORTUNITIES

Better positioning with respect to competitors by reducing the weight of the products (less emissions).

Opening new business lines and developing new products as a result of emission regulations.

Improvement of energy efficiency and cost reduction as a result of regulations in this regard.

Electricity is the main type of energy consumed by the Group, given that its plants use electricity as an energy source for most of the production processes, and also to power the facilities. Natural gas is used mainly for air conditioning in buildings, so consumption is usually seasonal. In addition, some production plants use it in processes like hot stamping and in painting lines. The other fuel types are linked primarily to the fleet of forklifts at the plants.

DIRECT ELECTRICITY CONSUMPTION (GJ)	2018	2019	2020
Europe	2,127,887	2,124,539	1,758,964
North America	966,522	1,036,176	1,025,083
South America	282,888	300,939	243,824
Asia	602,278	521,539	550,892
TOTAL	3,979,575	3,983,194	3,578,762

DIRECT NATURAL GAS CONSUMPTION (GJ)	2018	2019	2020
Europe	1,397,278	1,653,130	1,391,020
North America	460,895	483,680	576,794
South America	40,094	57,370	55,137
Asia	168,462	174,287	164,101
TOTAL	2,066,729	2,368,867	2,187,052

DIRECT LPG CONSUMPTION (GJ)	2018	2019	2020
Europe	104,532	98,718	74,408
North America	95,327	127,599	78,475
South America	54,200	54,559	51,757
Asia	18,803	16,865	15,414
TOTAL	272,862	297,741	220,054

DIRECT DIESEL CONSUMPTION (GJ)	2018	2019	2020
Europe	15,648	14,714	11,973
North America	16,912	16,912	16,912
South America	984	344	120
Asia	8,163	4,234	3,276
TOTAL	41,707	36,203	32,280

## GHG management



ENERGY

Every quarter since 2006 we have monitored the carbon footprint of all our production centres corporation-wide. Each plant reports its energy consumption levels in a database and, based on this information, the carbon footprint of each centre and the overall footprint are calculated according to GHG Protocol and IPCC procedures.

### Energy consumption

All our processes need a source of energy in order to function. Therefore, we comprehensively track the different sources of energy consumed at our facilities: Electricity, natural gas, diesel oil and LPG.

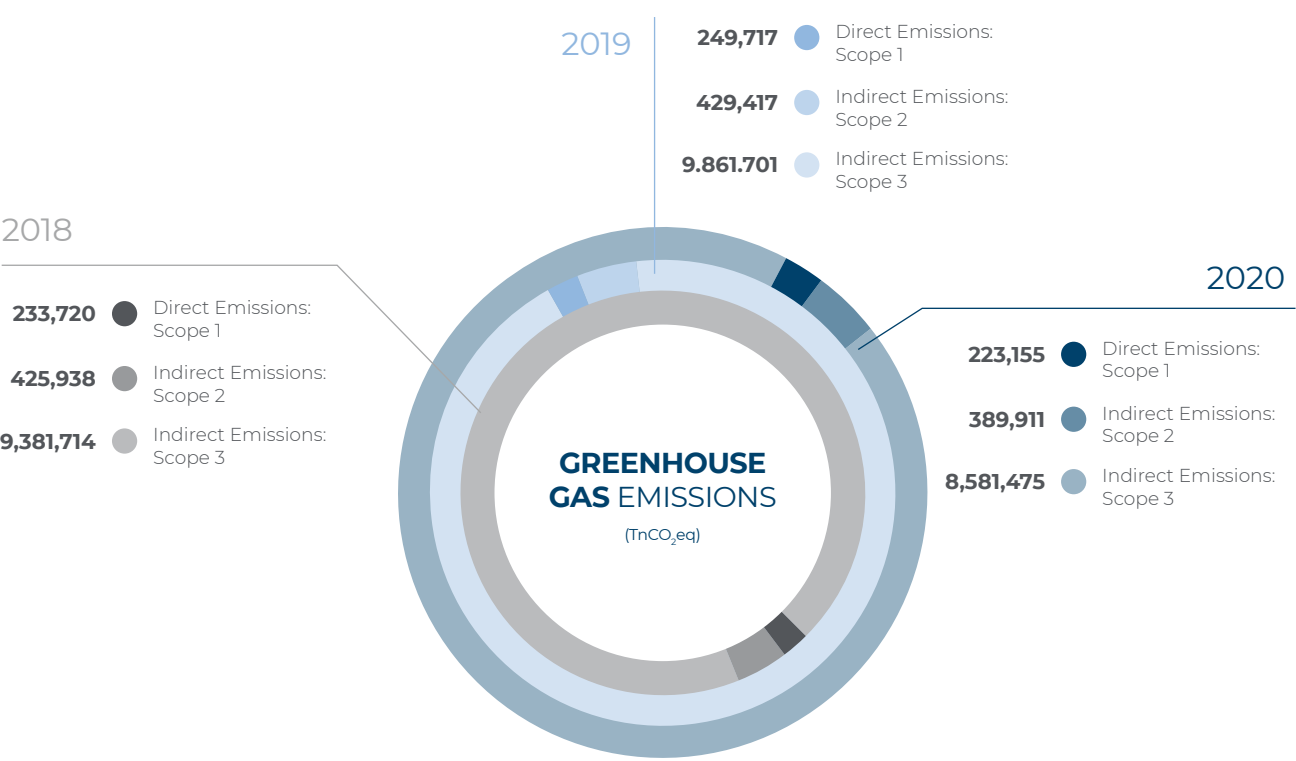
The distribution of energy consumption globally is divided into 59% electricity, 36 % natural gas and 5% other fuels. Due to the plant stoppages that took place during certain periods of time in 2020, absolute energy consumption fell across the board..

ENERGY CONSUMPTION BY FUEL TYPE (GJ)	2018	2019	2020
Electricity	3,979,575	3,983,194	3,578,762
Natural gas	2,066,730	2,368,867	2,187,052
LPG	272,862	297,741	220,054
Diesel	41,707	36,203	32,280



GHG emissions

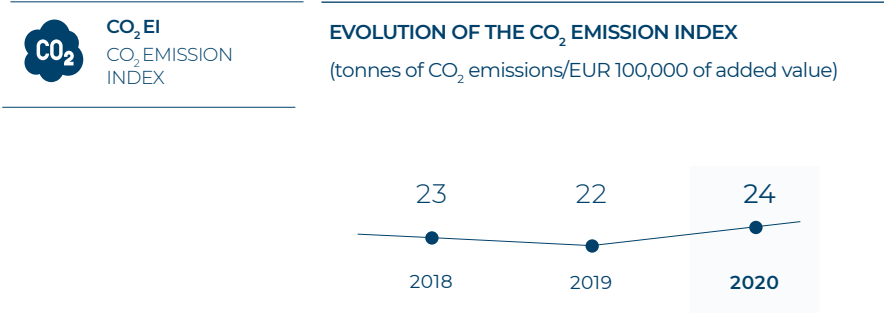
In recent years, despite the increase in production plants and the introduction of hot stamping, technology that is more intensive in the use of energy, Gestamp has managed to reduce CO2 emissions (in relative terms) thanks to improved environmental management and process improvement.



DETAIL OF SCOPE 3*	2018	2019	2020
Cat 1 - Purchased goods and services	7,091,193	7,554,157	6,678,513
Cat 2 - Capital goods	372,104	344,481	314,417
Cat 3 - Fuel- and energy-related activities (not included in scopes 1 or 2))	157,617	146,811	143,967
Cat 4 - Upstream transportation and distribution	158,043	156,470	124,994
Cat 5 - Waste generated in operations	29,556	29,050	22,933
Cat 6 - Business travel	27,002	25,304	11,371
Cat 7 - Employee commuting	36,410	36,557	20,183
Cat 8 - Upstream leased assets	37,026	43,116	39,959
Cat 12 - End-of-life treatment of sold products	1,445,714	1,494,655	1,191,883
Cat 15 - Investments	27,049	31,100	33,254

\*Not applicable categories: 9, 10, 11, 13, 14

Internally, we use the CO<sub>2</sub> Emissions Index (defined as tCO<sub>2</sub> Scope 1 and 2/€ 100,000 AV) as a tool to assess our Group level performance in terms of emissions. As a result of the business downturn in 2020, added value dropped to a greater degree than the reduction in CO<sub>2</sub> emissions and, as such, this Index increased over the year.



Other significant emissions into the air

SO <sub>2</sub> Y NO <sub>x</sub> EMISSIONS (TN)	2018	2019	2020
SO <sub>2</sub> emissions	2.6	2.4	2.0
NO <sub>x</sub> emissions	267.7	302.7	267.9

COV'S EMISSIONS (TN)	2019	2020
COV's emissions	222	203

GHG reporting

Each year, Gestamp voluntarily reports its emissions performance through the international *Carbon Disclosure Project* (CDP) initiative. In 2020, Gestamp has held on to its 'B' score, which is higher than average for companies in the metal sector, with an average 'C' score.

CDP 2020 CLIMATE SCORE	CDP 2020 SUPPLIER ENGAGEMENT RATING
B Gestamp	A Gestamp
C Average of Metal Sector Companies	B- Average of Metal Sector Companies



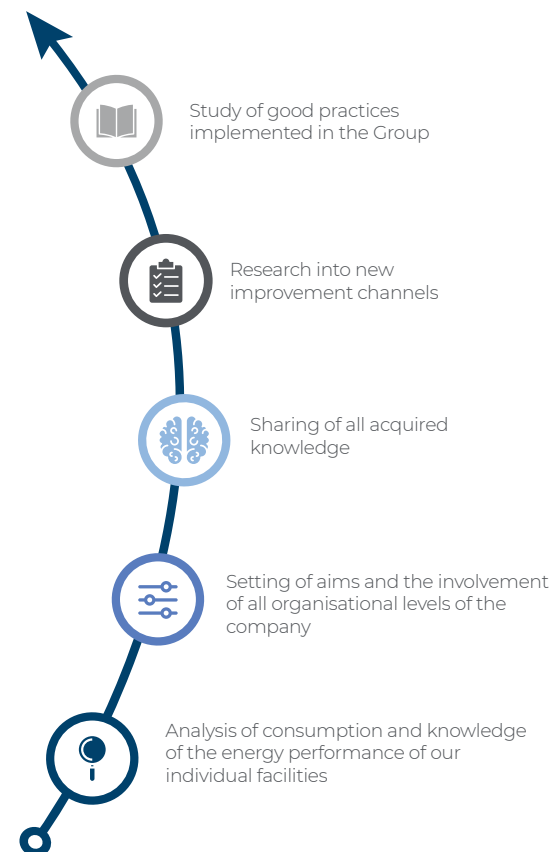
# Energy efficiency

At Gestamp, controlling the energy consumption of our plants is essential. Our objective is to reduce said consumption to meet our efficiency principles and our commitment to reducing CO<sub>2</sub> emissions.

In 2013, based on this principle, we commenced an ambitious Energy Efficiency project aimed at making improvements through several areas:

- Analysis of consumption and knowledge of the energy performance of our individual facilities.
- Study of good practices implemented in the Group.
- Research into new improvement channels.
- Sharing of all acquired knowledge.
- Setting of aims and the involvement of all organisational levels of the company.

To achieve our aims, we monitor the instantaneous consumption of electricity and gas of our equipment in order to create a model of its performance. Based on those consumption patterns, we establish algorithms to identify, quantify and notify of deviations.



## Results achieved in 2020

In 2020, 40 plants were part of our Energy Efficiency initiative, an increase of over 20% compared to the number of participants last year.

Specific Energy Efficiency measures were identified and implemented at each of these plants to optimise the functioning of equipment and to reduce its consumption. These measures have helped the Group to achieve a reduction of almost 13 GWh in 2020, despite the production stoppages caused by COVID-19.

In 2021, we will consolidate the initiative, achieving a high degree of maturity at the European plants and implementing improvements at the North American and Asian plants.

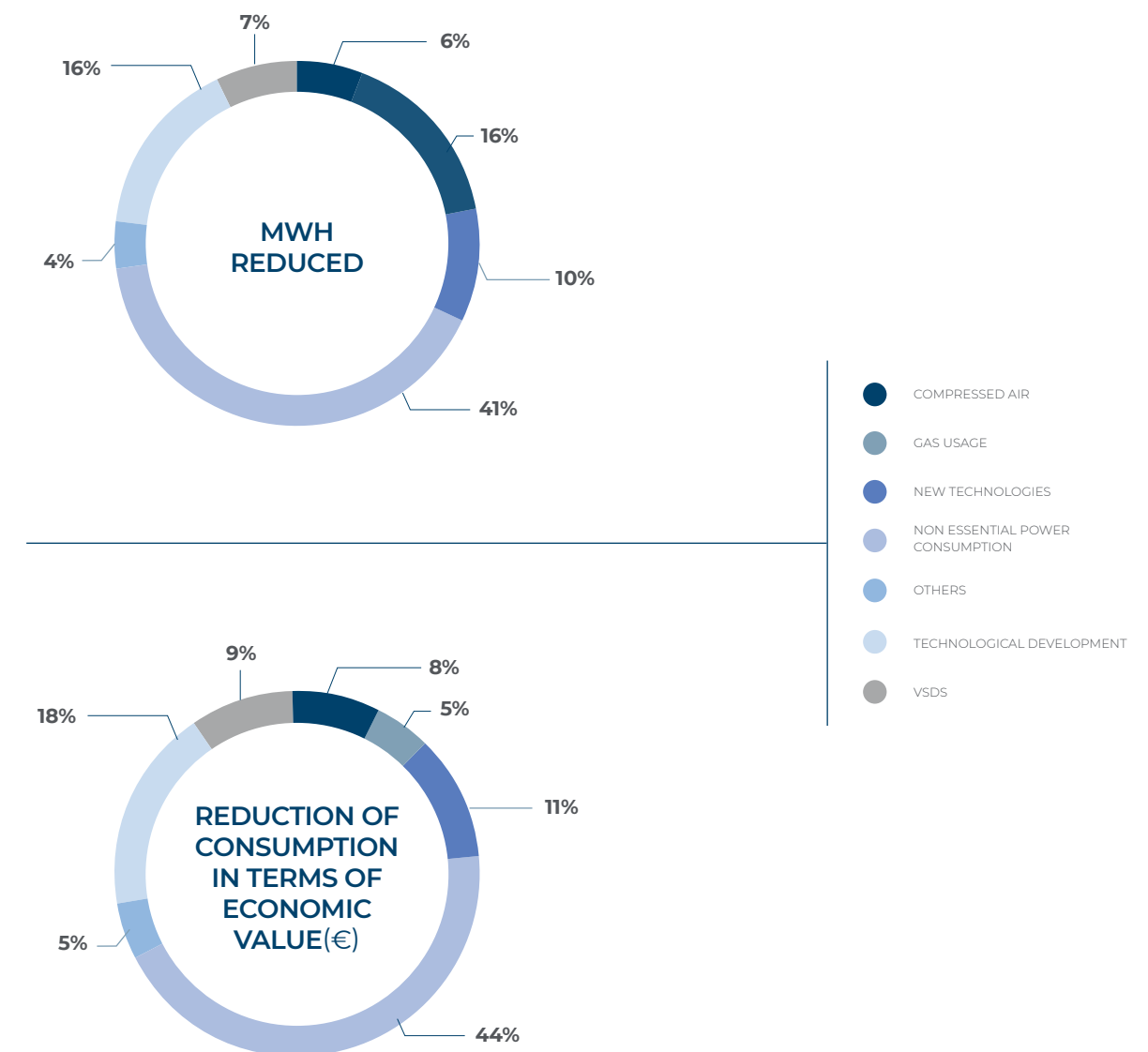
### 2020 FIGURES

40 plants involved	Return on investment period: < average of 1.5 years
> 60 improvement measures implemented	>30% have required no investment
Reduction of 5,400 Tonnes of CO <sub>2</sub>	Reduction of consumption: 13 GWh

### SUMMARY OF CONSUMPTION REDUCTIONS ACHIEVED IN 2020

	ELECTRICITY MWh	GAS MWh
Recurring 2016 - 2019	106,000 MWh	68,000 MWh
Achieved in 2020	11,000 MWh	2,000 MWh
<b>TOTAL</b>	<b>117,000 MWh</b>	<b>70,000 MWh</b>

## Breakdown of measures by type (%)







Types and examples of measures undertaken

TYPE OF ENERGY EFFICIENCY MEASURE	NUMBER OF MEASURES	MWH SAVED	TN CO <sub>2</sub> EMIS- SIONS AVOIDED	EXAMPLES
Compressed air	9	786.5	255.52	Gestamp Haynrode has reduced consumption by more than 238.76 MWh by regularly reviewing and repairing compressed air leaks in cold stamping presses.
Gas usage	3	2,156.17	453.88	
Lighting- new technologies	16	1,264.20	513.16	By incorporating more efficient technologies, Gestamp Hengersberg and Gestamp Hauzenberg have managed to reduce their electricity consumption by more than 199 MWh.
Optimisation of manufacturing processes	21	5,377.01	2,440.55	Gestamp Mason has managed to reduce its energy consumption by more than 2,021.07 MWh by optimizing the temperatures of hot stamping furnaces according to the production needs of the plant.
Technological development	10	2,087.89	950.57	Gestamp Mason has replaced screw-type coolers with YI centrifuges, reducing consumption by 959 MWh.
Variable Speed Drives (VSDS)	2	883.47	453.13	Gestamp Bielefeld has installed the speed drives for the 6 and 12 bar compressed air network, reducing consumption by more than 468.2 MWh.
Others	2	521.15	320.39	In Gestamp Chennai, solar panels have been installed to consume renewable energy and achieve a reduction in CO <sub>2</sub> emissions of 240.79 TON CO <sub>2</sub> .
TOTAL	63	13,076.39	5,387.2	

Project expectations and plan for 2021  
The reductions in consumption achieved through the measures implemented from 2016 to 2020 will continue in 2021. Furthermore, new objectives for 2021 will be added.

	ELECTRICITY MWh	GAS MWh
Recurrent	117,000 MWh	70,000 MWh
Estimated	47,000 MWh	28,000 MWh
TOTAL	164,000 MWh	98,000 MWh

↓ 262 GWh

THE REDUCTION IN EMISSIONS IN PROPORTION TO A REDUCTION

89,000 Ton CO<sub>2</sub>  
(FROM THE BASELINE)

Long-term expected outcomes

From 2021 forward, we will continue to optimise consumption at the plants involved in the project, endeavouring to find ideal consumption levels for production and auxiliary equipment. We will consolidate the dynamics of responsible consumption at the plants by implementing an energy performance standard at the plants. In this way, and by monitoring energy consumption, we will be capable of standardising the expected performance and assessing and predicting deviations by using energy production indicators for equipment and energy management at the plants.

Energy-related best practices are being integrated and consolidated in a cross-disciplinary manner across all the Group's policies: R&D, new construction, expansions, etc.



Renewable energy supply

To guarantee compliance with the goals validated by the SBTi, Gestamp is drawing up a strategy for the purchase of green energy that is sustainable over time and that contributes, together with the energy efficiency actions implemented, to achieving a 30% reduction in emissions in scopes 1 and 2 within the agreed timeframe.

This strategy will result in a combination of three possible supply channels: the signing of long-term renewable energy agreements or PPAs (Power Purchasing Agreements), the installation of solar self-consumption systems and the purchase of green energy certificates or guarantees of origin. Since 2020, the pro-

duction plants in the United Kingdom and the plant in Nitra, Slovakia, have been using green energy with guarantees of origin. That means that 6% of the total electricity consumed by the Group is renewable, preventing 4% of the total CO<sub>2</sub> emissions from electricity consumption from being released into the atmosphere.

Furthermore, in 2020 solar panels have been installed at the production plants of Gestamp Chennai (India) and Dongguan (China), enabling these plants to generate for self-consumption between 10% and 15% of the energy needed for operation.

PHOTOVOLTAIC SOLAR ENERGY PROJECTS

Chennai (China) and Edscha Hengersberg (Germany)



SDG 13  
Climate Action

Solar Photovoltaic panels have been installed during 2020 in two plants: Chennai and Edscha Hengersberg. The expected electricity generation of these installations is close to 1,3 GWh/year, which is translated in savings of almost 900.000 kg CO<sub>2</sub>/year. The following table shows the main characteristics of these two projects.

PLANT	INSTALLED CAPACITY (KWP)	GENERATION/ YEAR (KWH)	CO <sub>2</sub> SAVINGS/ YEAR (KGS CO <sub>2</sub> )
Chennai	787	1,117,340	811,188
Edscha Hengersberg	161.7	160,000	56,320
<b>TOTAL</b>	<b>948.7</b>	<b>1,277,340</b>	<b>867,508</b>

Other photovoltaic projects are in their final stage and will be implemented during the year 2021: Dongguan, Kunshan and Pune GAI. These three new projects are expected to generate 7,3 GWh/year. In terms of CO<sub>2</sub>, the expected savings are of 5.000.000kg CO<sub>2</sub>/year.



2020 Photovoltaic installations: Chennai (left) and Edscha Hengesberg (right)

Summing the existing installations with these three new projects, 8,5 GWh of electricity will be generated per year from photovoltaic installations (approximately 6.000.000 kg CO<sub>2</sub>/year savings).

These numbers may increase during the year 2021 since other plants in the group have already started to study the viability of solar projects: Abrera, Metalbages, Navarra, Pune SAI, Mason and West Virginia among others.

Lower impact products

Our commitment to mitigate climate change also extends to the conception, design and development of our products by our R&D teams around the world. This is one of the strategic cornerstones for innovation within the Group.

As mentioned in the Innovation chapter of the Economic Dimension, we invest heavily to include increasing amounts of manufacturing technology that enables us to offer customers lighter products.

We have a wide variety of products in our portfolio that, due to the lighter-weight design achieved by Gestamp, help improve energy consumption and the environmental impact of vehicles.





# SOCIAL DIMENSION

+ 114 OUR  
PROFESSIONALS

+ 134 HEALTH  
AND SAFETY

+ 150 LOCAL  
COMMUNITIES

Gestamp 

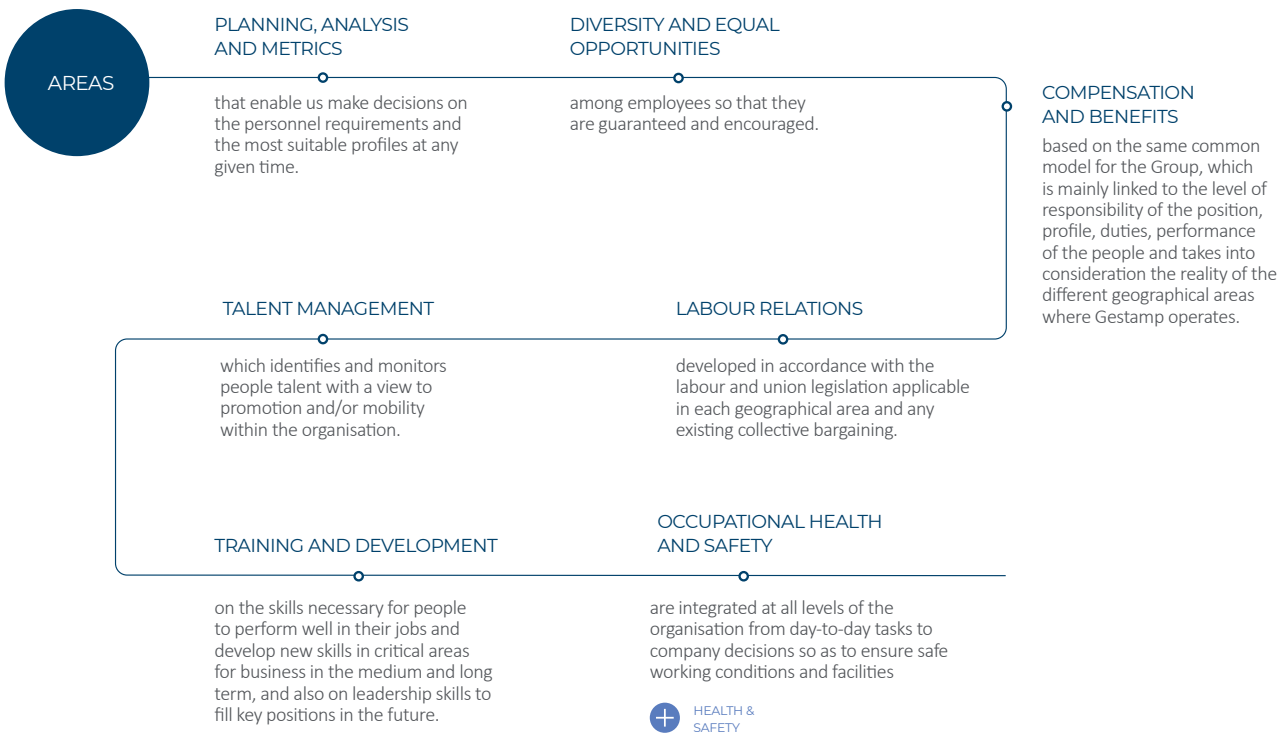
# Our professionals

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- Workforce evolution and profile 116
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- International mobility 122
- Training, management and development of talent 123
- Communication in times of COVID-19 130

## Our approach

Gestamp’s continuous growth and internationalisation process has brought with it major challenges in terms of culture and human resource organisation and management: ongoing adaptation of the organisational structure to the growing needs of the Group, down-sizing of staff, standardisation of processes, training on new technologies, talent management and boosting corporate culture.

Through the Human Resources and Organisation Department, we manage the organisational structures and personnel at the corporate level, as well as at the divisional, regional and production-centre level through the following areas:



## Gestamp face to COVID-19

2020 was dominated by the COVID-19 pandemic. As such, one of the organisation’s main concerns was guaranteeing the health of our employees, so strict measures were taken to protect them at all work sites, both in the production plants and in the different offices we have around the world.

Due to the health crisis and the large-scale lockdowns, production activity at most of the industrial plants has been affected by stoppages, leading to a decline in income. The company reacted swiftly in response to this situation, firstly adopting flexible internal measures for work (bringing forward holidays, working-hour periods, etc.) and reducing external services (temporary employment agencies and outsourcing) relating to our business. Furthermore, significant reductions in directors’ salaries were applied in the different areas in which the Group operates.

Subsequently, local temporary-layoff schemes were implemented in order to match the production capacity of the plants to the needs of the clients, thus generating cost savings. It is important to point out that these measures varied from one country to another according the legal framework and measures established by each government.

In view of the steady decline in activity during 2020 and the expected drop in vehicle sales for 2021, along with the temporary measures mentioned above, a workforce (internal and external) reduction plan has been implemented in order to have the precise number of staff on hand for the volume of work expected in each area.

PERCENTAGE OF EMPLOYEES ON TEMPORARY LAYOFF PROGRAMMES\*

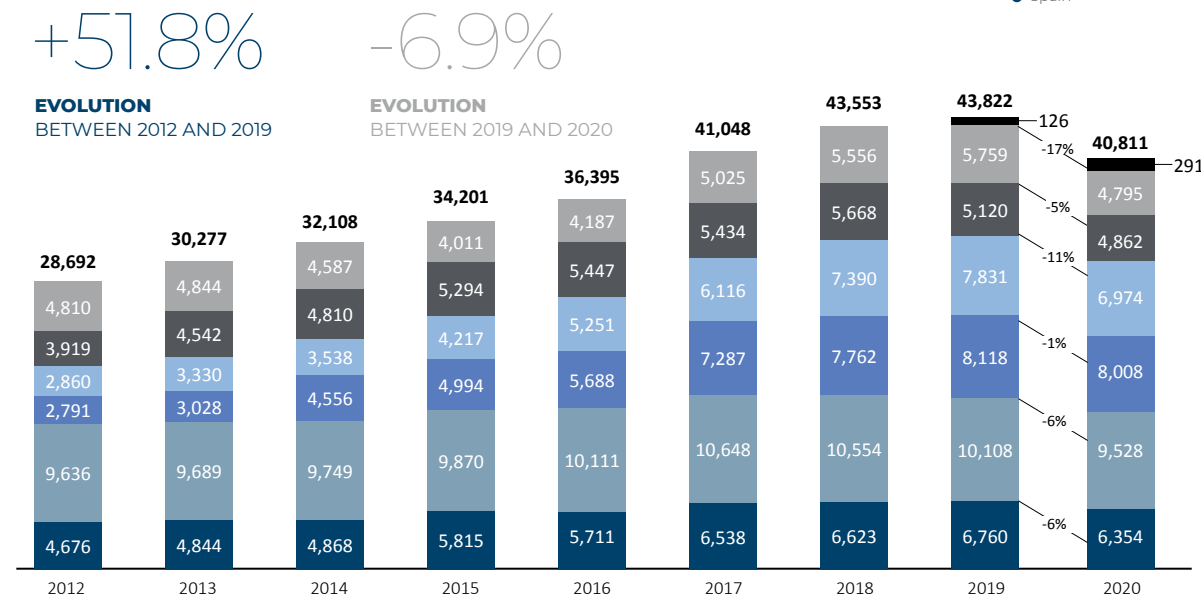
COUNTRY	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV
Brazil	53%	85%	26%	0%	0%	0%	0%	0%
Czech Republic	72%	50%	15%	12%	9%	12%	13%	11%
France	88%	57%	24%	7%	2%	2%	0%	0%
Germany	69%	56%	26%	18%	8%	4%	4%	5%
Poland	72%	25%	14%	15%	45%	19%	25%	29%
Russia	0%	20%	22%	26%	43%	16%	4%	13%
Slovakia	84%	69%	24%	25%	33%	13%	14%	12%
Spain	85%	53%	23%	8%	1%	1%	0%	0%
United Kingdom	82%	67%	38%	38%	30%	4%	1%	3%
United States	82%	51%	8%	0%	0%	0%	0%	0%
<b>Total</b>	<b>73%</b>	<b>58%</b>	<b>22%</b>	<b>11%</b>	<b>8%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>

\* The percentage regards the coverage of temporary layoffs of the average workforce at production plants in the main countries where Gestamp operates.



## Workforce evolution and profile

At 31 December 2020, the global workforce was 40,811 company employees. That represents a decrease of 6.9% compared to 2019, when the company had accumulated an organic growth rate of 51.8%, following three large business acquisitions in 2010 and 2011.



\* Workforce as of 31 December each year shown in the above chart.

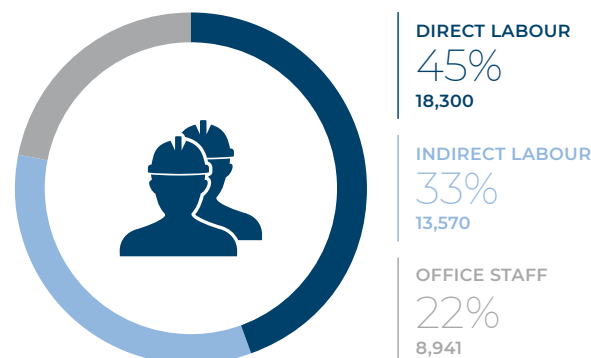
### Classification by type of labour

In the Group, regarding the kind of employment, we have established the following major professional categories:

- Direct labour:** employees of production plants directly involved in the processing of raw materials and components into intermediate or finished products.
- Indirect labour:** employees of production plants whose job is to provide direct support to the production process, thus ensuring that the process is not interrupted.
- Office staff:** any office employee in production plants or service centres.

Thus, in the same proportions as in previous years, at 31 December 2020, 18,300 (45%) of the Group's employees fell into the category of direct labour, 13,570 (33%) into the category of indirect labour and the remaining 8,941 (22 %) into the category of office staff.

#### CLASSIFICATION BY TYPE OF LABOUR



### Workforce profile

#### TOTAL GESTAMP

**40,811**  
Number of employees

**18% Women**  
7,253

**82% Men**  
33,559

**41.09%**  
Employees <35 years  
16,771

**30.36%**  
>10 years seniority  
12,392

**91.45%**  
Permanent contract  
37,323

**686**  
Disability

**427**  
Young people in vocational training

#### DISTRIBUTION BY COUNTRY



**38.9%** Western Europe

**19.6%** Eastern Europe

**17.1%** North America

**11.7%** South America

**11.9%** Asia

**0.7%** Africa

#### WESTERN EUROPE

**15,882**  
Number of employees

**16% Women**  
2,505

**84% Men**  
13,378

**25%**  
Employees <35 years  
4,031

**55%**  
>10 years seniority  
8,754

**90%**  
Permanent contract  
14,223

**347**  
Disability

**330**  
Young people in vocational training

#### NORTH AMERICA

**6,974**  
Number of employees

**23% Women**  
1,625

**77% Men**  
5,349

**51%**  
Employees <35 years  
3,537

**7%**  
>10 years seniority  
461

**96%**  
Permanent contract  
6,667

**29**  
Disability

**28**  
Young people in vocational training

#### ASIA

**4,862**  
Number of employees

**16% Women**  
787

**84% Men**  
4,075

**58%**  
Employees <35 years  
2,839

**16%**  
>10 years seniority  
785

**93%**  
Permanent contract  
4,513

**32**  
Disability

**12**  
Young people in vocational training

#### EASTERN EUROPE

**8,008**  
Number of employees

**21% Women**  
1,675

**79% Men**  
6,333

**51%**  
Employees <35 years  
4,117

**14%**  
>10 years seniority  
1,100

**89%**  
Permanent contract  
7,109

**98**  
Disability

**27**  
Young people in vocational training

#### SOUTH AMERICA

**4,795**  
Number of employees

**13% Women**  
622

**87% Men**  
4,173

**47%**  
Employees <35 years  
2,247

**27%**  
>10 years seniority  
1,275

**99%**  
Permanent contract  
4,740

**180**  
Disability

**23**  
Young people in vocational training

#### AFRICA

**291**  
Number of employees

**13% Women**  
39

**87% Men**  
252

**0**  
Employees <35 years

**6%**  
>10 years seniority  
17

**21%**  
Permanent contract  
61

**0**  
Disability

**7**  
Young people in vocational training

## Diversity and equal opportunities

Gestamp respects the rights of equality and non-discrimination on the grounds of gender, sexual orientation, social origin, ethnic origin, age, disability and religion, among others. This is provided for in our Code of Conduct and under the sixth goal of the UN Global Compact, which we have complied with since 2008.

### Gender diversity

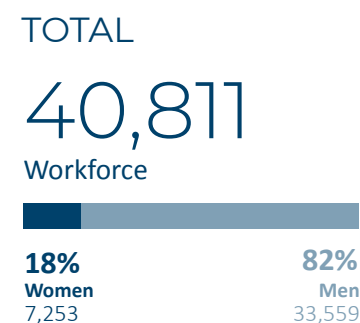
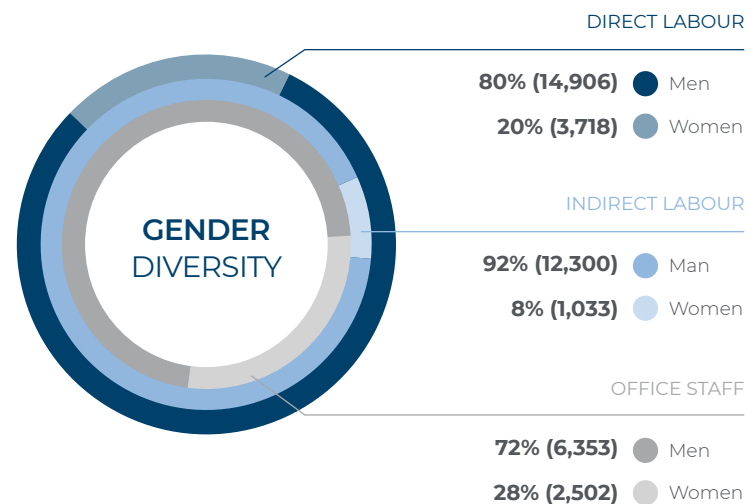
At Gestamp, women represent nearly 18% of the Group's total workforce. In terms of holding positions of responsibility, according to the Gestamp Global Grading System (G3S) methodology, 9.1% of management and 17.8% of medium level positions were held by women.

In 2020, as an addition to the Code of Conduct principle on equal opportunities, 82 work centres developed local plans and/or specific measures to foster equal opportunities, mainly in selection processes, salary policy, training and development, as well as in organising work and personal time.

### Remuneration

Remuneration is based on levels of responsibility, external competitiveness and professional career, avoiding differences between men and women, beyond the merits achieved in the performance of their work. Based on the average remuneration paid, comparing positions with a similar level of responsibility and weighted by the number of people/country, the average wage gap between men and women was 11.47% in total remuneration (fixed + variable) in 2020. These differences are due to the composition of the workforce in each of the professional groups established in the G3S, in which the breakdown by gender includes different profiles of seniority in the company, age and work experience.

The Group is in the process of unifying its employee management IT systems (performance assessment, skills, salary, etc.), which will help the organisation to gradually have access to more precise information with which it can evaluate equal opportunities as regards pay.



25%

OF NEW HIRES  
WERE WOMEN  
IN 2020

### Selection

It is rather difficult to find women in selection processes for certain common positions in our business, such as die makers, welders or maintenance specialists, although in some work centres there is almost an equal number of men and women. This is the case in Gestamp Cerveira (Portugal) and Edscha Kamenice (Germany).



## #NIUNAMENOS: UNITED AGAINST GENDER VIOLENCE

Gestamp Mexico (Mexico)



SDG 5  
Gender Equality

As part of the #NiUnaMenos [Not one less] campaign, women in Mexico went on a nationwide strike on 9 March 2020 called #9MUnDíaSinNosotras [9 March - a day without women], in which they were encouraged not to do any professional or domestic tasks in protest of the tragic number of deaths, rapes and other kinds of abuse suffered by the female population, and children, in Mexico.

All the female employees of Gestamp Group in Mexico were free to join the initiative, without penalty of any kind. In addition, all Gestamp Mexico plants ceased their activities for one hour, during which time male colleagues from all the plants participated in an act of solidarity, reading a statement published on the screens and walls of the plants, giving talks to raise awareness of the issue and painting their hands in the colour of the feminist movement so they could add their handprint to a banner made in solidarity with the cause, which still hangs on the walls of the plants in Mexico.

### Fostering female talent

To foster female talent and to try to reverse the primarily male trend in the sector, as well as to ensure the development of digital skills, Gestamp launches different projects:

- Gestamp Automotive English Summer Camp: a project that aims to promote passion for cars among children, especially girls, and to develop STEM skills (science, technology, engineering and maths) through different workshops and activities in English. The GAESE is undertaken close to the

plants in the Basque Country (Spain) during the holidays, helping Gestamp employees to balance their work and personal life.

- Master's in Engineering for Mobility and Safety: Gestamp has formalised a collaboration agreement with the Comillas Pontifical University. As such, the financial support provided by the company is directly linked to the University's commitment to see women account for close to 40% of the students on said Master's degree.



1.7%

EMPLOYEES WITH A DISABILITY

### Functional diversity

In order to facilitate access to employment for people with disabilities, the Gestamp Group companies directly hire them, whereby they thus forming part of their staff, or they may outsource products and services to special employment centres.

The percentage of employees with a disability across the entire Group in 2020 was 686, representing 1.7% (compared with 1.9% in 2019) of the Group's workforce.

For the construction of new facilities, Gestamp hires local engineers that prepare the projects in accordance with local regulations, complying with the requirements in the field of accessibility.

Furthermore, in order to make information more accessible, the [Gestamp website](#) has been adapted and complies with all of the Level A conformance criteria developed by the World Wide Web Consortium's (W3C) Web Accessibility Initiative (WAI).

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DIFFERENT NATIONALITIES IN  
24 COUNTRIES

### Cultural and geographical diversity

The cultural diversity among our professionals brings innovative and enriching ideas and approaches. As such, at Gestamp we believe that a heterogeneous workforce entails an opportunity for the Group in terms of finding the best solutions to the current global challenges.

Working 24 countries, there are 89 different nationalities in our workforce. In every country we work in, there is an average of 11 different nationalities in each workforce. The most culturally and geographically diverse country is Spain, where there are employees of 45 different nationalities within the workforce, followed by Germany, with 40 nationalities represented.

### Organisation of work, reconciliation measures and work absenteeism

At Gestamp's production plants, due to the nature of its business, activity is continuous, sometimes 24 hours a day, and therefore certain groups, generally those classified as Direct and Indirect Labour, have to work shifts. This organisation of work does not prevent Gestamp from promoting the rotation of such shifts, with the aim of facilitating the adjustment of working hours to the specific needs of workers.

In addition, 64 of Gestamp's work centres implement measures related to the reconciliation of work and private life, in positions where this is possible, such as: flexible working hours, intensive working days, reduced working days or adapting the working hours in certain family circumstances.

Since the start of 2020 and given the current COVID-19 situation, the Group has adopted preventative measures according to the activities inherent to work positions and the degree of exposure to COVID-19, encouraging teleworking as a means of eliminating the risk of transmission.

The absenteeism rate in Gestamp has remained at 4.5% compared to the previous year. The total number of absenteeism hours in 2020 was 3,413,550. This includes hours of absenteeism due to common illnesses, accidents and occupational illnesses, accidents on one's way to or from work, and those that are unjustified. 63% are due to common illnesses.

64

GESTAMP'S WORK CENTRES  
IMPLEMENT MEASURES RELATED  
TO THE RECONCILIATION

## Management of labour relations

At Gestamp, the management of labour relations is undertaken in accordance with the union and labour legislation applicable in each geographic area.

We negotiate all aspects relating to union, labour and the contractual relations of employees with the union representatives at each plant.

In 2020, 69.5% of employees were covered by a collective agreement. There are specific Occupational Health and Safety Committees in most of the production plants. In 2020, 90% of the plants had in place employee consultation and participation mechanisms relating to occupational risk prevention compared to 89% in 2019.

In geographic areas that call for it, due to historical, cultural or legal obligations, we have inter-centre committees that complement the in-plant negotiating framework.

The company has a European Committee that represents all of the countries integrated into its perimeter.

At Gestamp, we place special emphasis on issues that are unavoidable for the Group: respect for union and labour legislation, policies of non-discrimination, compliance with the Code of Conduct, occupational health and safety, and training and development in key areas to ensure the correct implementation of the business strategy, which always follows the framework of the fundamental labour rights set out in the agreements of the International Labour Organization (ILO).

Communication with our employees and their representatives is fundamental for Gestamp, as it allows open relationships of trust to be built.

Furthermore, we facilitate two-way communication channels to provide them with important information and to understand their real concerns and worries.

Each centre has its own formal communication channels between the company and the employees. The most common channels are the local and corporate intranet, the internal newsletter, the satisfaction and work environment survey, the suggestion box and the information channels.

Employees also have access to established communication channels at the Compliance Office through which they can report or submit queries regarding the Code of Conduct. The Group has a corporate intranet that provides information on the most significant matters relating to the organisation on a corporate, divisional, plant and individual level.

69.5%

OF EMPLOYEES ARE PROTECTED  
BY A COLLECTIVE AGREEMENT

International mobility

One of the Group’s strong points is that it has highly qualified personnel that can work for a period of time in countries where new projects are being launched (the commissioning of a new plant or implementing new technology or processes, etc.)

We differentiate between two groups: personnel assigned short-term transfers, who are employees that are transferred for periods of 3-12 months, and personnel assigned long-term transfers, who are employees that, due to project or country circumstances, are transferred for periods of 1-5 years (at most), in the majority of cases with their family.

Once the final aim has been achieved, said personnel return to their country of origin, leaving the plant under the full or almost full management of the local employees.

We have a Corporate Policy that aims to establish, order, define and regulate regulations and guidelines that govern the expatriation of employees in the entire Group, regardless of the country of origin and/or destination country.

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EXPATRIATE EMPLOYEES

PERSONNEL WITH LONG-TERM TRANSFERS PER COUNTRY OF ORIGIN AND DESTINATION

COUNTRY	ORIGIN	DESTINATION
Argentina	0	
Brazil	4	1
China		27
Czech Republic		24
France	5	4
Germany	4	5
Hungary		3
India	2	2
Japan		2
Morocco		1
Mexico	1	14
Poland		14
Russia		4
Slovakia		7
South Korea	3	
Spain	103	1
Sweden	1	
United Kingdom	4	1
USA	2	19
Total	129	129

Training, management and development of talent

At Gestamp, we believe that people are the architects of success and we are passionate about finding and bringing out their talent.

Training

Gestamp’s training model seeks three main goals:

- **Ensuring that all professionals have the skills required** to undertake their work with excellence.
- **Accompanying the business priorities** of Gestamp at all times.
- **Planning the development of those who will hold key positions** for our activity in the near future.

In 2020, the COVID-19 pandemic interrupted all face-to-face training. However, it has given the Group the opportunity to strengthen its online learning channels, which include a new concept that the Group has called GestampTalks.

GestampTalks are webinars that bring together employees from around the world to share knowledge and experience on strategic subjects for the Group. Some of the most noteworthy have been: Resuming Plant Activity after the Shutdown for COVID-19; Quality Control of Hot-Stamped Parts; Communication in Crisis Situations; and Instructor to Inspector Training on Welding Quality.







## GESTAMP TALKS



SDG 4  
Quality Training

The Gestamp Talks initiative was created because of the need to quickly respond when operations could restart after the unexpected shutdown caused by the Covid-19 pandemic. This shutdown took place under very different circumstances to those carried out periodically for maintenance or stock taking, without the time margin needed to do so properly.

In order to be able to restart quickly when each of the plants had to, it was decided to hold a webinar called Gestamp Talks. The objectives were to follow the lead of Gestamp China when restarting operations in key areas such as operations strategy, maintenance and start-up and quality; to create a space where employees could ask questions and discuss topics with corporate teams and their experts; and to learn from each other and support each other during this unprecedented industrial challenge.

The main challenge was to provide a quick response given the need to follow the lead of our Asian plants in a timely manner. The keys to success were collaboration, teamwork between professionals in Asia and corporate services and the conviction that the most important thing to focus on was getting the message right.

Given the success of the initiative as a virtual space to share knowledge, good practices and promote networking in such an unusual situation, we are continuing to use this virtual training method for other areas such as quality control for hot stamping parts, communicating in crisis situations or carrying out a visual inspection of arc welding.

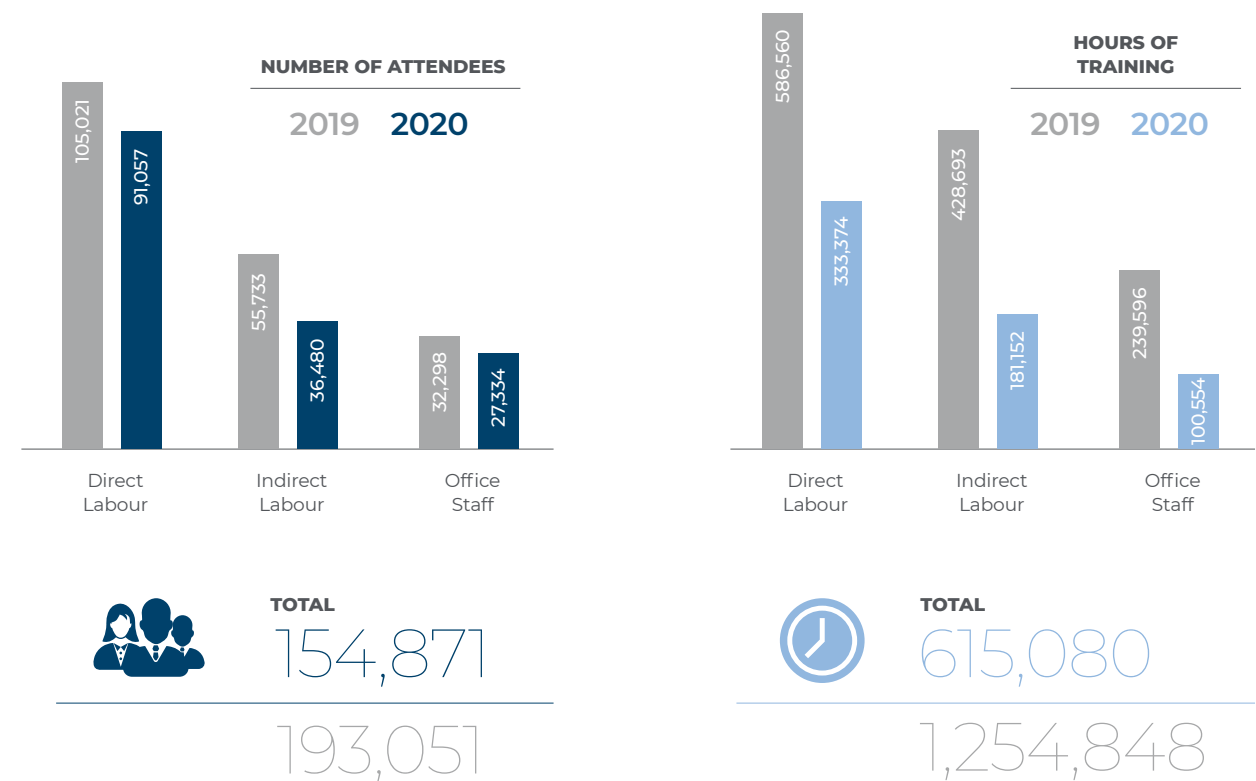
“Our plants have a great sense of belonging and value this type of initiative because it allows them to share experiences and encourage improvement. It has also helped them to continue working as a team, despite the physical distance imposed by the pandemic.”

LEIRE SACRISTÁN

QUALITY MANAGER, NORTHERN EUROPE DIVISION

## In-plant training

In 2020, the 100-plus Gestamp plants continued their efforts in the area of professional training, guaranteeing the safety of over 154,000 participants on training courses and providing over 615,080 hours of training.



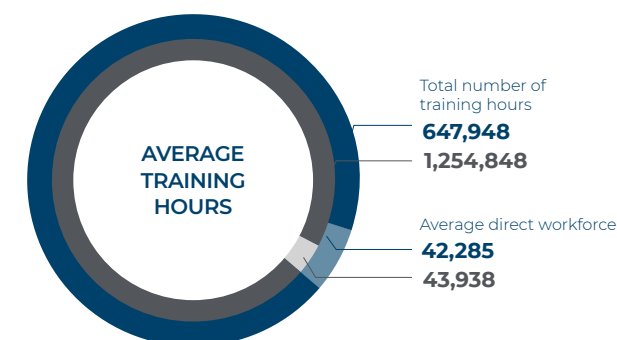
## Training through the Corporate University

In addition to the previous figures, the different channels of the Gestamp Corporate University account for further 32,868 hours of training, given to a total of 9,292 participants.

## Group-wide training

Ultimately, in 2020, Gestamp gave a total of 647,948 hours of training, almost half of that given in the previous year due to the stoppage of activity and the limitations on face-to-face training programmes that affected the entire organisation.

The number of participants in training activities was 164,163 in 23 countries, with the average number of training hours being 15.3 per employee.



\* The 2020 data relating to training given at Gestamp plants do not include the hours of training taught at the Corporate University.



At Gestamp, knowledge is prepared and shared through the four academies of the Corporate University, which can be accessed anytime and anywhere via the Gestamp Virtual Campus, Gestamp Global Learning.

In 2020, Gestamp Global Learning has become the main corporate training channel where new training programmes have been launched. This includes specific training on Safety in the Workplace (COVID-19),

programmes to guide employees in situations caused by the pandemic, such as “Tips for Working from Home” or “Emotional Management”, as well as others with a direct impact on business: “Great Tools” or “Quality Control of Arc Welding Parts”.

In some areas, like in the UK and Mexico, training plans were drawn up for employees who were temporarily laid-off.



#### GLOBAL ACADEMY

Business knowledge and organisational culture

#### TECHNOLOGIES & PROCESS INSTITUTE

Knowledge of products, technologies and processes - developing the technical skills of our employees in disciplines such as assembly technologies, stamping and metal forming processes, new materials, etc.

#### LEADERSHIP ACADEMY

Management and leadership skills – training in skills linked to the Group’s leadership skills model.

#### PROFESSIONAL ACADEMY

Knowledge of requirements by job position-

The Professional Academy of the Corporate University focuses its efforts on offering a training itinerary for each professional profile at the company.

In view of the digital transformation taking place in the Group and in the industrial sector in general, GTI Boroa together with MBIT School (a renowned tech school in big data, data science and artificial intelligence) have launched a programme called Expert in Smart Factory and Digital Transformation. The pro-

gramme is eminently practical and it combines the experience and know-how of Gestamp in the industrial sector with the capacity of MBIT in advanced analysis, business intelligence and big data. It is a course open to Gestamp employees and young students that want to train in this field.

## RESKILLING EMPLOYEES IN MEXICO & UNITED KINGDOM: E-LEARNING DURING PLANT CLOSURES

📍 Mexico and UK



**SDG 4**  
Quality education



**SDG 8**  
Decent work and economic growth

Employees at our plants in Mexico and those in Cannock and West Midlands in the UK were able to continue their training via e-learning while they were on furlough because of the plants closing as a result of the pandemic.

In the UK, they dedicated this time to completing compulsory training courses, as well as those that were most relevant to each position. Employees were given access to the Health and Safety e-learning platform which contains different topics related to the industry.

Thanks to this initiative, a total of 303 employees were able to train from home and completed 136 training activities over 944 hours.

In some of the centres in Mexico, training was not limited to technical or generic subjects related to each position but also included, given the changes taking place on a personal level and in the way we work, training in personal development such as Mindfulness, lifestyle habits or adapting to change, among others. In other plants, priority was initially given to training employees in how to prevent the spread of Covid-19, before starting regular training in safety, occupational risk prevention, quality and customer requirements.

It was a challenge for plants to be able to contact staff, adapt normal physical training to a virtual classroom, learn how to use the online platform (both for employees and trainers) and maintain the interest and attention of the participants.

This new system has led to greater employee participation by reducing the time spent travelling. It has also made it possible to fulfil the annual training plan despite the pandemic, without compromising on safety.

In total, 2,517 people received training thanks to this initiative.

“Gestamp decided to give us security when faced with such an uncertain situation, investing in our development as professionals. I found the time productive as I invested it in improving my technical knowledge and personal development.”

**MARIANNE VÁZQUEZ RAMÍREZ**

HEAD OF THE QUALITY MANAGEMENT SYSTEM, GESTAMP SAN LUIS DE POTOSÍ

“Adapting to change became one of our strengths as an organisation and it gave us the opportunity to face new challenges, meaning we could provide as much training as possible so that people could continue their development, despite the adversity.”

**YENNY LIZETH DE LA CRUZ MARÍN**

HUMAN RESOURCES, TOLUCA II



Management and Talent  
Development

The process of attracting, developing and retaining talent for the Group is essential to have the best professionals and ensure success in the execution of the strategy.

The company’s growth in new markets or geographies has meant developing and providing career opportunities for employees in the organisation outside their place of origin.

At the same time, it has allowed us to create a talent pool of highly trained professionals, as well as to increase the internal promotion ratio in 2020, which, in the case of division directors and country managers, rose to 87%. In the case of plant managers, the ratio is somewhat lower, standing at 74%, due to the existence of new markets where local hiring was advisable. If we look at mature areas, such as Spain, France and Portugal, the internal vs. external promotion ratio increases to 86%.

In 2020, we continued to work on a global talent management initiative to identify the Group’s talent on a global, uniform basis. We identify the Group’s talent through a combination of two variables: employee performance and potential. To do this we will be launching an assessment process for office staff, the results of which will be reviewed on a yearly basis by the heads of each organisation. Based on the results of said review, the current talent in the organisation will be verified and the talent needs will be analysed

following the creation of replacement plans for critical positions, as well as adopting measures geared towards developing talent. Furthermore, each employee will have a professional profile allocated to them so they can gain a better understanding of our organisation, as well as to identify the development needs of such professionals so as to, in turn, cover the talent needs of the Group.

To attract talent, Gestamp has diverse local and corporate initiatives. At the Corporate University, we have partnered with educational institutions, such as the University of Comillas, the Engineering School (TECNUN) of the University of Navarra, the Mondragón University, the Technological University of Huejotzingo (Mexico) and professional training centres, on developing programmes that help to meet the needs of the Group relating to highly specialised profiles.

In addition to the eighth edition of the International Master’s in Industrial Project Management, the Group has sought to enhance its professional talent pool developing and teaching a Dual Programme on Product Design for Automobiles and 3D Simulation, as well as undertaking the fourth edition of the Programme on Metrology and Quality Engineering and the training programme on Professional Practices in Industry 4.0.

A total of 175 students have taken part this year in these training programmes aimed at bringing talent to the Group, learning a profession with a high employability level in both Gestamp and other companies in the sector.

EDSCHA – TOP EMPLOYER GERMANY

Germany



SDG 8  
Decent work and economic growth



In 2020, Edscha not only celebrated its 150th anniversary but also renewed its Top Employer Germany certification, maintaining its position as one of the best employers in the subcontractor and supplier group of the automotive industry in Germany.

Some of the criteria evaluated were talent strategy, human resources planning, the new recruitment plan, training and development, performance management, leadership development, career and succession planning, compensation and benefits, and corporate culture. Edscha stood out in the areas of human resources planning, training and development and recruitment of new employees.

This certification serves as a guide for potential employees, providing them with objective evidence of the company’s qualities as an employer.

“For a company to reach the age we are celebrating this year, it has to have motivated and qualified employees.”

PETER LAERBERG  
HUMAN RESOURCES MANAGER AT EDSCHA

“Companies like Edscha are a great example of what dedication to people means, with an ongoing commitment to empowering their employees for a better working world.”

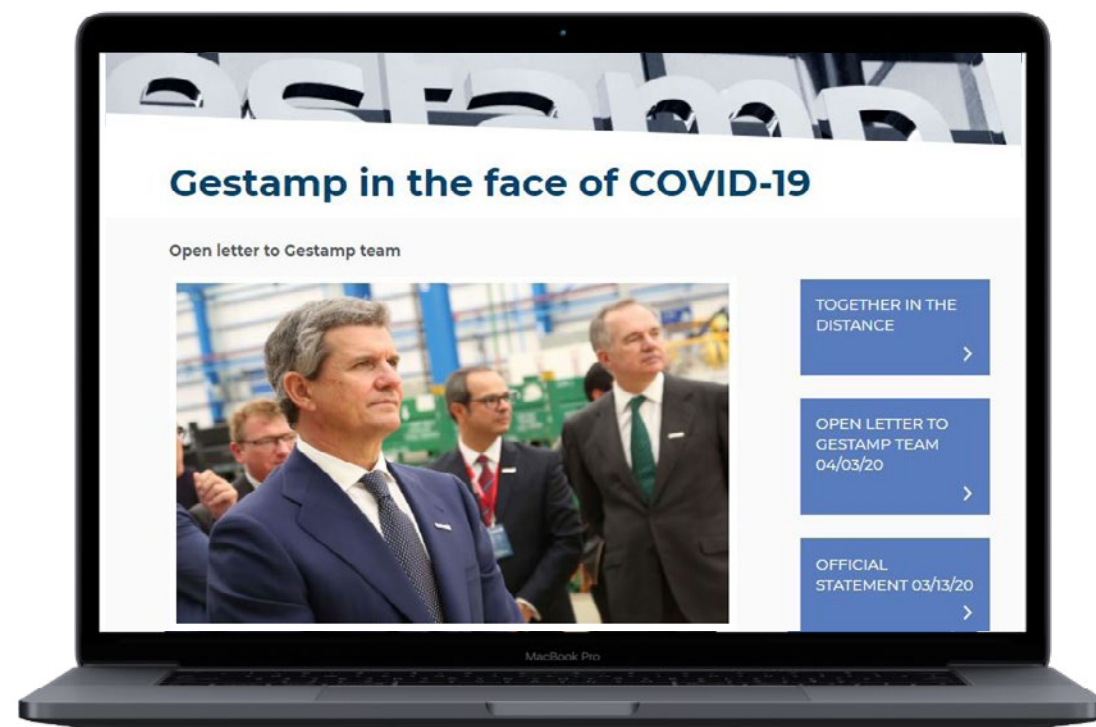
DAVID PLINK  
CEO DE TOP EMPLOYERS INSTITUTE

## Communication in times of COVID-19

Gestamp fosters internal communication as a means for increasing company knowledge and the sense of belonging to the Group.

As a result of the COVID-19 pandemic and the circumstances of the healthcare emergency, at Gestamp we launched a communication campaign with the slogan “We’ll get through it” (“Vamos a salir adelante”).

In the same way that the different waves and phases of the pandemic marked particular moments in society and business activity, employee-targeted communication served different objectives and strategies throughout:



### Closure phase

The remoteness with employees was overcome thanks to the use of external dissemination channels, with interchangeable internal and external content of use.



- The first of those communications was called “**We’ll get through it**”, geared towards conveying support and confidence in the Gestamp project as a team.
- Initiatives through which employees were able to exchange messages of encouragement, which started at the outset of the pandemic in support of our teams in China, such as the “**Stay Strong**” campaign.
- As transmitters of those messages, **the impact of media and publications on the intranet** was decisive, but so was the use of new channels, such as **WhatsApp** and **the podcast programme, “Gestamp in times of COVID”** (“Gestamp ante el COVID”).



LISTEN TO OUR PODCASTS  
“GESTAMP IN THE FACE OF COVID-19”

17,893

NUMBER OF LISTENING TO  
PUBLISHED PODCASTS





## Lockdown phase

In this phase, communication was focussed on looking after our employees. The company used the strictest protocols to ensure the best preventative measures amid the COVID-19 situation. Manuals and playbooks were disseminated according to the regulations in each country and were shared with employees through channels such as WhatsApp, WeChat, the intranet and SMS.



- **INFORMATIVE PORTAL FOR EMPLOYEES,** with COVID-19 safety information, podcasts and notifications, among others.



- **SUPPORTING THE WORK OF HUMAN RESOURCES** through the publication of explanatory materials regarding our protocols and facilitating the safe return to work



## WATCH THE VIDEO



- **CREATING A TEAM**  
In such difficult times, both on a human and business level, the feeling of unity became the main goal in all communication actions. This feeling of community was conveyed, primarily, **to our employees**:
  - **"Together at a distance" ("Juntos en la distancia"):** A very moving piece that was conveyed to our public, starting with employees.
  - Internal campaign in which we brought together ideas to support the communities closest to us with innovations that could make a real difference (donations, door openers and protective screens, among others).
  - Dissemination of the initiatives carried out in different locations to tackle COVID-19: donations, door openers and protective screens, among others, through internal and external channels.



**This feeling of being a team** also translated into our participation in initiatives supporting industrial and business sectors with the aim of influencing the recovery of our sector and transmitting confidence to all our stakeholders in terms of returning to work.



FOR MORE INFORMATION



## Reopening phase

In this phase, the goal was to communicate a safe return to work and to transmit confidence in the gradual recovery of activity and the long-term project.

- Welcome packs
  - Digital protocols
  - Videos
- Examples of successful reopenings to convey safety
- Dissemination of processes for successful openings
- Human stories



WATCH THE VIDEO



WATCH THE VIDEO





# Health and Safety

- Our approach **134**
- Measures to prevent the spread of COVID-19 **136**
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- Health and Safety Management System **140**
- Balance 2020 **146**
- Future challenges **148**

## Our approach

At Gestamp we are committed to offering our employees and the employees of other companies that provide services at our facilities a healthy and safe work environment. We therefore have an ambitious occupational risk prevention policy and our own comprehensive management system, called Gestamp Health and Safety System (GHSS), which covers all the Group's production plants.

Our policy is based on the following principles:

- Integrating health and safety matters into daily tasks and decision-making.
- Preventing occupational accidents and professional illnesses, which is the ultimate aim of our policy. It is achieved by avoiding and minimising risk

to the health and safety of people. To do that, we undertake continuous improvement and actions relating to the risk analysis.

- We comply with the legislation in all countries, but the reference for our centres is an internal one, which often goes further than the requirements provided for in legislation. It is the same for everyone.
- We believe that important risks, which are serious risks that may lead to serious accidents, must be prevented or minimised through technical means.
- The establishment of regulations and procedures, as well as training, is the correct path to controlling risks that we have not been able to prevent.





# Measures to prevent the spread of COVID-19



## Contingency plan

COVID-19 has been at the centre of occupational health and safety in 2020. From the moment the virus started to spread, Gestamp implemented a **Coronavirus Contingency Plan** that aimed to anticipate and reduce the impact of the COVID-19 infection among our employees and in the business.

The main lines of action were:

- Preparing an operational response **to minimise the spread of the virus** and to offer minimum production services.
- Preparing actions in the event employees are infected **in order to avoid production stoppages** and non-fulfilment of client agreements..
- Being prepared for **client production stoppages**.



## Action Protocol: preliminary measures for resuming activities

After the widespread closure of plants, we also prepared an Action Protocol establishing a series of strict general instructions so that all our production plants were prepared before activity resumed, thus bolstering all the health and safety measures.

The Protocol included actions to be undertaken prior to resuming activity, which included: assessing the risk of transmission by position or group of positions with similar characteristics; preparation of internal memos to employees with information on perso-

nal hygiene measures and precautions; obligations to clean and disinfect common zones and places; temperature controls and checks at access points, as well as rules on the coming and going of employees, and their work on production lines, respecting safe distancing; measures for breaks and lunches; entering, leaving, loading and unloading procedures for external suppliers; supply of protective equipment; and other measures geared towards marking the floor with signs indicating the distances that must be maintained between workers and ventilation signs.

## Action Protocol: measures after resuming activity

In addition to these preliminary actions, the Protocol also establishes actions to follow once activity has commenced, which include: restrictions on internal meetings; constant communication to workers of measures adopted; supply of protective equipment and the establishing of a procedure in the event that one or more persons are suspected of or confirmed as having the virus.



## Cases

At 30 December, the situation of employees affected by COVID-19 in the Group throughout the year was as follows:

275

PEOPLE INFECTED

109

WITH SUSPECTED INFECTION  
(with symptoms but without test confirmation)

5

PEOPLE HAVE DIED FROM  
COVID-19 IN 2020 IN INDIA,  
THE US, MEXICO, BRAZIL AND  
HUNGARY

194

PEOPLE QUARANTINING AT  
HOME AS A PRECAUTIONARY  
MEASURE (without symptoms  
and test confirmation)

1,514

PEOPLE HAVE FAVOURABLY  
OVERCOME THE ILLNESS DURING  
THE YEAR (only accumulated  
datum)

Evolution

Despite the COVID-19 pandemic, our primary aim at Gestamp has remained the same over the years, and that has always been to facilitate the task of continuous improvement in safety at the plants.

Three fundamental milestones can be highlighted in this evolution:



**BEGINNING**

CALCULATION OF TRADITIONAL ACCIDENT RATES



**2016**

CREATION AND IMPLEMENTATION OF GHSI IN SPAIN AND PORTUGAL

IMPLEMENTATION OF THE REST OF THE PLANTS

Development of GHSI and annual review



**2017**

HEALTH & SAFETY SYSTEM

**Accident rates**

Up until 2006, we only worked with traditional accident rate indicators, which corresponded to our own workers, subcontracted workers and part-time agency workers that carried out their own tasks or tasks relating to our activity.

**Gestamp Health and Safety Indicator (GHSI)**

Accident rates are affected by external factors, social security and cultural differences, which allows us to compare the level of action in the area of safety.

As such, in 2006 the GHSI was created. The indicator, which goes beyond international standards, was first implemented in plants in Spain and Portugal, and subsequently in all of the other plants around the world.

This indicator maintains the same level of requirement in all of the production plants and it has been adapted to the particularities of our activity.

The analysis of diverse factors helps Gestamp to implement working and prevention management conditions that are safe and appropriate for its activity. All production plants must report the improvements carried out on a quarterly basis and they are all comprehensively audited every two years.

**Gestamp Health and Safety System (GHSS)**

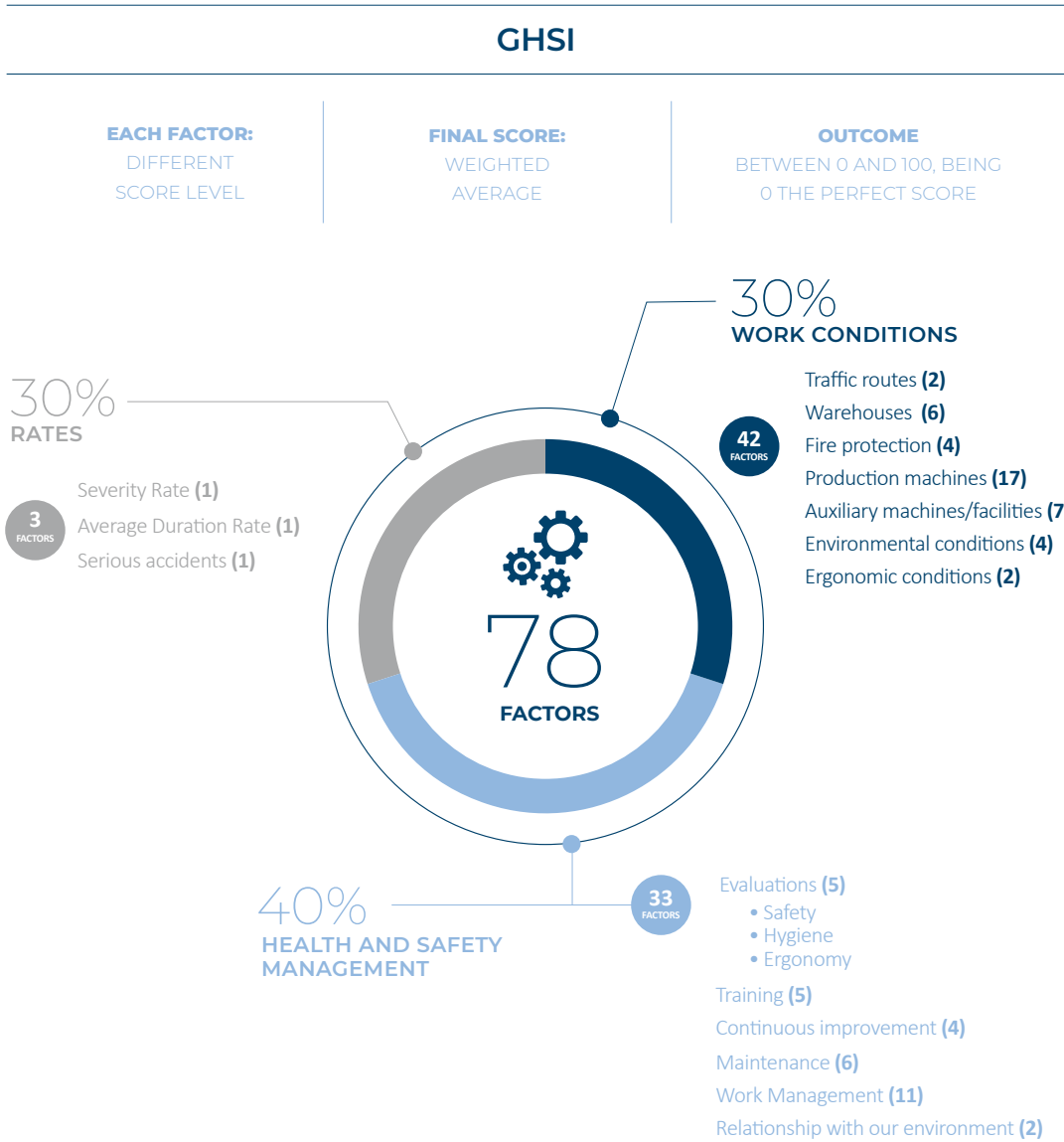
The Group has had an integrated system at all organisational levels since 2017. All the departments are involved in the system and it receives regional, divisional and corporate support. It is implemented at all (100%) our production plants without exception.

The GHSI has become the tool with which we measure performance in the area of health and safety and through which we detect improvement opportunities through the snapshot of current working conditions and the management undertaken.

GHSI indicator

The Gestamp Health & Safety Indicator (GHSI) is a tool that enables us to apply the same standards to all the plants in the Group, regardless of their size, production process or country. Thus, it is possible to assess and compare the health and safety performance of each plant using shared criteria.

The 2020 version of the Indicator (GHSI) is composed of 78 factors divided into 3 main blocks: Traditional indicators, Working Conditions and Prevention Management. The breakdown and weighting of these factors are shown below.



Each factor is weighted differently, depending on the importance or magnitude of the associated risk. In addition, different safety levels are defined in each one. The greater the risk, the higher the weight.

The final score given is a weighted average that ranges from 0 to 100, with 0 being the best possible score.



# Health and Safety Management System

Our GHSS Management System encompasses all fields of action and it is implemented at all levels of our organisation. Its main features are:

## PROFESSIONALISM

### Wide team of professionals

dedicated to prevention from Corporate to Plant, to give criteria when making improvements and undertake new projects.

### Experts in working conditions and prevention management

who seek good practices and solutions and set the direction of the system.

## MEASUREMENT

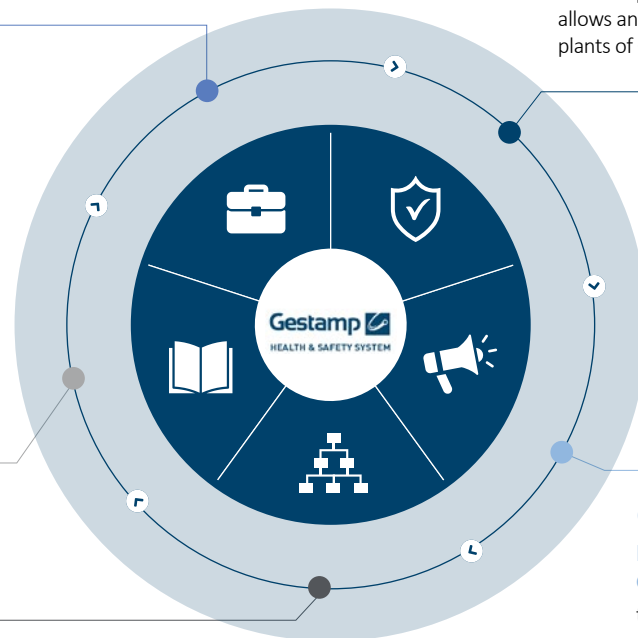
### Indicador Gestamp Health and Safety Indicator (GHSI)

is our own tool, designed and adapted to the particularities of the company's activity, reaching levels of demand greater than those required by international standards. It allows analyzing 78 factors equally in all the plants of Group.

## EXPERIENCE

### Creation of publications and support documents

such as Security standards, Management guides, Technical reports and Good practices.



## COMMUNICATION

### IT applications and Web Communities

that support the system. The IT applications allow to control everything related to GHSI: quarterly reviews, audits and reports; while through the web Communities, discussion forums and document repositories are generated. Moreover, information is shared with all the plants.

## INTEGRATION

### Collaboration with other corporate departments

to make Safety and Health a further point to take into account in new projects, full integration is sought: layout design, purchase of machinery and facilities, training, corporate policies. In 2018 the Health and Safety team participated in numerous audits and several collaborative projects with 8 key areas of the Group such as Industry 4.0, GPCS, Standardization, Purchasing or Sustainability.

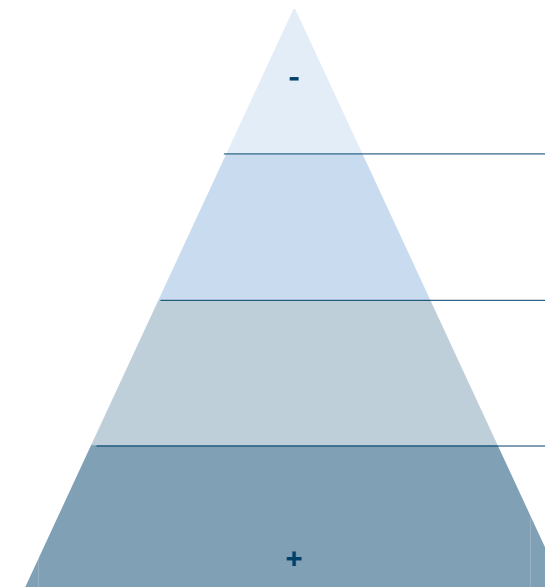
## Responsibility and functions at all levels

Plants must manage health and safety with the same level of knowledge and standards that they use in their core business.

The model is supported by senior management. Each year a Leadership Meeting is held, where the overall targets for improvement are established based on the Indicator.

In addition, the results are submitted to the Board of Directors on a quarterly basis, along with a progress report on the corporate plans and other important matters

## ORGANISATION AND RESPONSABILITIES



### GROUP MANAGERS

They manage the global numbers for each plant or division.

### DIVISION MANAGERS

Overview of the situation. They manage the general criteria.

### PLANT MANAGERS

They are familiar with and manage the factors or set of factors without going into too much detail.

### H&S AND DEPARTMENT MANAGERS

Detailed knowledge of each factor.

The total number of factors/improvements reviewed in the year was **672**

Internal auditing systems

The System is audited regularly in two ways.

• Full on-site plant audits every two years (2-5 days).

When a plant enters the system, a full audit is conducted at the plant. In addition to assessing the safety conditions and prevention management in place at the plant, this is used to provide safety-related training to the parties that are directly responsible in this regard.

Once it is part of the system, these audits are repeated every two years in order to ensure that the indicator continues to reflect the actual safety situation at the plant. They also enable the Group to verify on-site whether the improvements made and approved remotely each quarter have been consolidated, to refresh safety standards and to get first-hand feedback from the plants.

• Quarterly remote audits

These are audits of factors that the plant aims to improve; they are conducted remotely through the use of an internally developed IT application.

The plants must report their improvements in the first 15 days of each quarter. The improvements are first validated by the Division-level prevention ma-

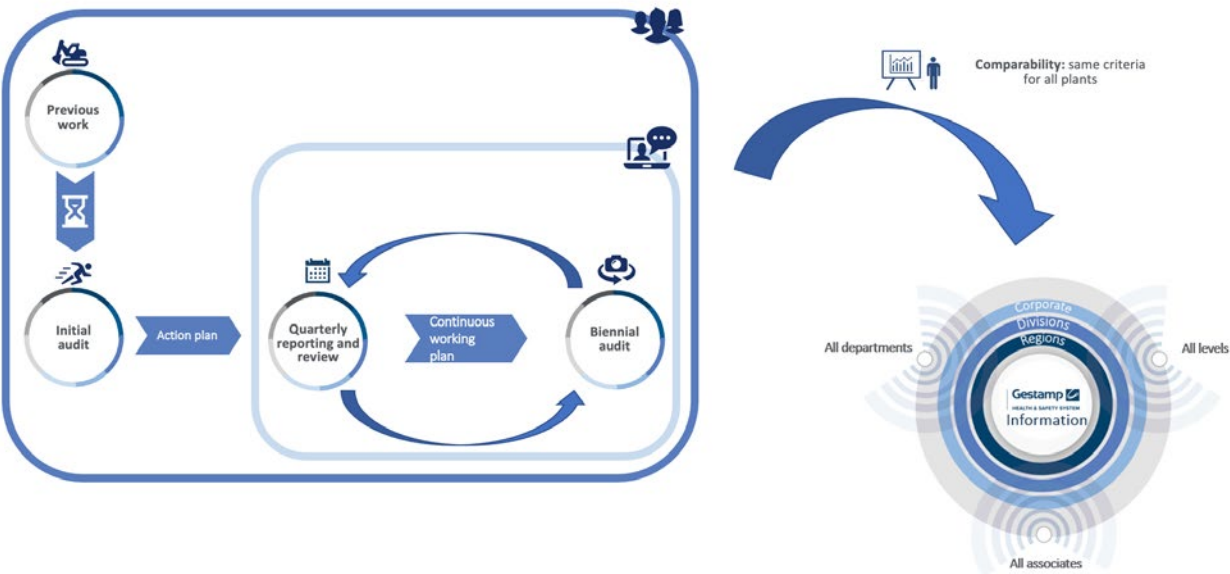
nagers, who act as advisors, then move on to the audit phase.

The criteria followed are exactly the same as for full audits and the same auditors review them. The difference is that only the improvements proposed by the plants, which have been validated by their advisors, are audited. To guarantee the use of uniform criteria, there is a guide linked to the indicator that outlines the criteria.

Thus, other documents are also generated that provide further details on the criteria of certain factors of the indicator, such as hygiene risk management, subcontractor management, working at a height, maintenance of metal shelving and management of lifting devices, to name a few

The total number of factors/improvements reviewed in the year was 672.

In the first quarter of 2020, 11 on-site audits were conducted before the COVID-19 restrictions came into force. From the moment travel was prohibited, work was carried out through the Group's IT tools in order to control factors at plants. The total number of factors/improvements reviewed in the year was 672.



ISO 45001 and Gestamp Health and Safety System

We strive to meet the strictest standards, and therefore our GHSS system goes beyond compliance with the law and the framework of ISO 45001 certification; a comparison of the two is shown below:

ISO 45001 REFERENCE FRAMEWORK		GHSS – GESTAMP REFERENCE FRAMEWORK
	CONTEXT OF THE ORGANISATION	<ul style="list-style-type: none"><li>Gestamp has its own system, which goes beyond mere compliance with the law to also define courses of action</li><li>It applies to all the plants in the Group and promotes integration at every level and across all departments</li><li>It provides tools to implement and monitor progress based on GHSSs</li></ul>
	LEADERSHIP AND INVOLVEMENT OF EMPLOYEES	<ul style="list-style-type: none"><li>Leadership through senior management, which sets targets, monitors progress and provides resources to maintain and develop the system</li><li>GHSS, through the agendas of the different management committees and boards of directors</li><li>The system fosters employee engagement by means of committees and other tools, even though there is no legal obligation. It also facilitates communication, with a corporate mailbox and an open community</li></ul>
	PLANNING	<ul style="list-style-type: none"><li>Risk assessments represent the cornerstone of the system, as tools for quality and the basis for prioritisation of the improvement activities</li><li>Surpassing legal requirements, it goes beyond the existing safety standards</li><li>Strategic objectives set by Managers and aligned with the indicator</li></ul>
	SUPPORT	<ul style="list-style-type: none"><li>Human and financial resources at corporate, division and plant levels</li><li>Specific training and awareness activities with managerial involvement</li><li>Multiple cascading and two-way communication methods</li><li>Updated documents available to the entire organisation in both official languages</li></ul>
	TRANSACTION	<ul style="list-style-type: none"><li>System focused on eliminating or minimising existing and emerging risks using innovative technical solutions and specific documentation for our production processes</li><li>Collaboration with other corporate departments and manufacturers in defining the standards for equipment, machinery, facilities, suppliers and processes</li><li>Requirements are set for fire protection resources at the plants and their emergency plans, including training sessions and conducting regular drills</li></ul>
	PERFORMANCE EVALUATION	<ul style="list-style-type: none"><li>Plant performance is gauged through internal audit system of the GHSS, conducted by fully dedicated internal auditors</li><li>GHSS outcomes reviewed by management on a quarterly and annual basis at leadership meetings, becoming part of the KPIs</li></ul>
	IMPROVEMENT	<ul style="list-style-type: none"><li>Accident and incident investigation using systematic, logical and reasoned methods, analysing root causes. Investigation findings, safety alerts, accident drills, etc., are distributed to the entire group.</li><li>Gestamp holds departmental meetings to establish strategies and discuss proposals for improvement. Best practices generated are distributed across the group</li><li>Comparative system with other companies, seeking opportunities for improvement</li></ul>



Some of the monitoring, maintenance and continuous improvement mechanisms have been described above. To summarise, we could view these mechanisms from two perspectives: from the Corporate perspective and from the Auditing perspective.

Mechanisms promoted by the Corporate team:



**WE CREATE DIGITAL RESOURCES TO DEVELOP THE MOST CRITICAL TOPICS:** accident reports and videos, machine safety standards, safety technique reports and specific management guides. Of particular note is the development of new training methods, such as online training on the Basic Guide to Prevention Management or Virtual Reality training in die-turning.

**WE HOLD 2 ANNUAL MEETINGS WITH DIVISION**  
Regional and Audit managers to update the  
Indicator and explanatory Guide and to discuss  
other topics of interest.



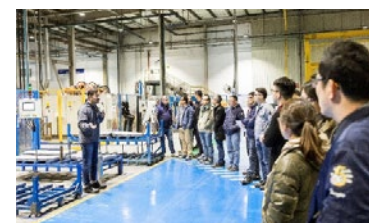
WE HAVE SPECIFIC WEB COMMUNITIES.

These contain the catalogue of best practices, annual targets and quarterly reports related to the Indicator, important news items and discussion forums. We also have an open communication channel for all Gestamp employees by means of an exclusive email account.

**WE PARTICIPATE IN SECTOR ASSOCIATIONS AND FORUMS:** AEC (Spanish Quality Association), ORP (Occupational Risk Prevention), Innovation, Workplace Safety Training Magazine.



**WE ACTIVELY COLLABORATE WITH OTHER CORPORATE DEPARTMENTS** to raise awareness about and improve the system: Corporate Training and Development, Industry 4.0, GPS (Gestamp Production System), GPCS (Gestamp Product Creation System), Equipment Standardization Advanced Manufacturing, Corporate Purchasing, Corporate Purchasing.



WATCH THE VIDEO

**WE PERFORM BENCHMARKING ACTIVITIES WITH OTHER COMPANIES.** The success in organising the 90th MNC EHS Meeting in Kunshan (China) in late 2019 should be noted here. MNC is an organisation that encompasses more than 1,000 multinationals in China, and at that meeting we shared our System and best practices in place at our plant in Kunshan with more than 90 attendees.

Mechanisms promoted by the Audit teams:

Audits are a tool for continuous improvement at the plants. In the audits conducted every two years, the auditors prepare a report outlining the criterion applied in each of the factors. In the quarterly audits, much more specific, fuller remarks are made.

The results of both types of audit and the remarks and discussions held with plant technicians in the review process are recorded in the application so that they can be reviewed at any time.

The results of the quarterly and biennial audits are published every 3 months in a report in a report prepared at corporate level and distributed to all the plants.

FINALISTS IN THE 3RD EDITION OF THE PREVENCONAR AWARDS, IN THE CATEGORY OF  
**“PREVENCONAR AWARD FOR COMPANY OF THE YEAR (LARGE CORPORATIONS)”**



El presente diploma acredita que la candidatura presentada por:

GESTAMP AUTOMOCIÓN S.A.

ha sido candidato **FINALISTA** en la **III Edición de los Premios Prevencionar** en la categoría:

Premio Prevenir Empresa del año (Gran Empresa)

Y para que así conste a los efectos oportunos en Córdoba a 25 de Septiembre de 2020

Agustín Sánchez-Toledo Ledesma  
Director Premios Prevenir



There has been **no fatal accidents** in  
Gestamp facilities since 2017

Balance 2020

In 2020, the number of accidents per hours worked was down by 14% on the previous year. Furthermore, there has been no fatal accidents in Gestamp facilities since 2017.

TRADITIONAL INDICATORS	2019	2020
Frequency Rate <sup>1</sup>	11	<b>9</b>
Severity Rate <sup>2</sup>	0.18	<b>0.16</b>
Fatal accidents	0	<b>0</b>



INDICATORS	2019			2020		
	Male	Female	Group	Male	Female	Group
Frequency Rate <sup>1</sup>	13	2	11	<b>11</b>	<b>2</b>	<b>9</b>
Severity Rate <sup>2</sup>	0.20	0.05	0.18	<b>0.19</b>	<b>0.04</b>	<b>0.16</b>
<b>Total Accidents<sup>3</sup></b>	<b>1,016</b>	<b>38</b>	<b>1,054</b>	<b>707</b>	<b>29</b>	<b>736</b>
Direct Employees	907	33	940	<b>619</b>	<b>26</b>	<b>646</b>
Subcontracted Employees	109	5	114	<b>88</b>	<b>3</b>	<b>91</b>
Fatal accidents	0	0	0	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Occupational Disease<sup>4</sup></b>	<b>2</b>	<b>1</b>	<b>3</b>	<b>2</b>	<b>0</b>	<b>2</b>
Direct Employees	2	1	3	<b>2</b>	<b>0</b>	<b>2</b>
Subcontracted Employees	0	0	0	<b>0</b>	<b>0</b>	<b>0</b>

(1) Frequency Rate: Number of occupational accidents with sick leave and diseases/per 1,000,000 hours worked.  
(2) Severity Rate: Number of work days (M-F) lost due to occupational accidents or diseases/per 1,000 hours worked.  
(3) Accidents occurred with sick leave regarding all workers who carry out tasks inherent to or necessary for our activity. TEA workers and outsourced services are included. Does not include commuting accidents.  
(4) Occupational disease: contracted as a result of exposure to risk factors inherent in work activity and reported by a doctor.

Working conditions and prevention management

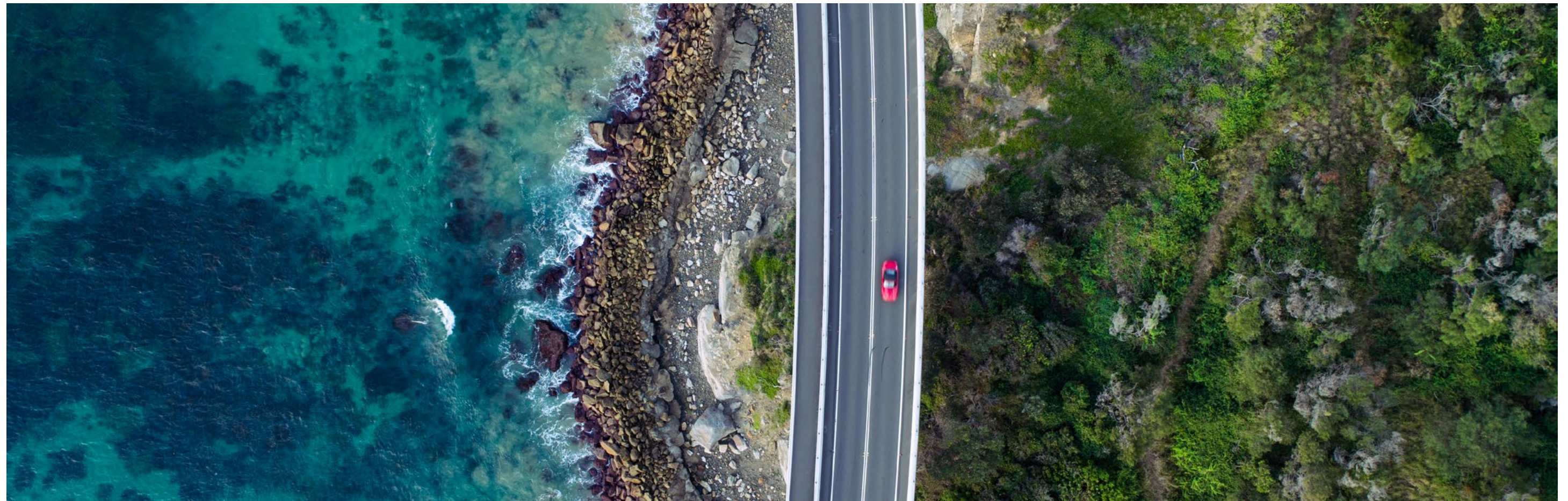
According to performance in the previous year and the starting situation, each production plant establishes its action plan with the aim of making improvements.

Despite the Group’s growth in terms of business and employees, we have maintained and even improved the rates, which is a clear indication of our effort in the area of prevention.

EVOLUTION OF WORKING CONDITIONS AND PREVENTION MANAGEMENT  
DURING 2020 BY DIVISION

DIVISION	WORKING CONDITIONS IMPROVEMENT %	PREVENTION MANAGEMENT IMPROVEMENT %
South America	-2%	0%
Southern Europe	1%	-2%
Asia	3%	0%
North America	2%	-2%
Germany - Hungary	3%	1%
Northern Europe	4%	1%
Edscha	3%	3%
TTE	-2%	-4%
<b>Gestamp</b>	<b>2%</b>	<b>0%</b>





## Future challenges

### Plan 2020

The goal set for 2020 was for all the divisions to be ranked in good or excellent performance zones in the GHSI Work Conditions block.

From 2019 until late 2020, Plan 2020 was focused on promoting and fostering improvements in the GHSI Prevention Management block, but due to the impact of the pandemic not all the planned improvements could be implemented. Therefore, this Plan has been extended until the third quarter of 2021.

By December 2020, 45% of the target plants had managed to lift themselves out of the improvable performance zone in the Prevention Management block.

We shall continue to work towards the same goal of bringing all the plants in the Group to a level of good or excellent performance in the Prevention Management block by the newly scheduled date.

### Redefinition of technical requirements for cranes

Cranes and everything linked to them are one of the greatest sources of risk for Gestamp.

Therefore, in our commitment to continuous improvement, new technical requirements will be added for all the Group's cranes to make them more reliable and safer.

The new requirements will be reflected in the specific factor for cranes in the GHSI.

### New factor: psycho-social risks

The GHSS has always featured risks that affect every aspect of employees' health.

However, up to now there was neither centralised management nor a specific factor in the GHSI to monitor all the activities carried out at the plants in this regard.

In 2021 a specific factor within the GHSI will be developed to optimise the control over all the actions being undertaken at Gestamp's work sites to foster improvements, share best practices and enhance the conclusions deriving from psycho-social assessments.



# Local communities

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- Our response to the pandemic **150**
- Collaboration with non-profit organisations **156**
- Youth employment training **159**
- Participation in various associations and organisations **162**

## Our approach

At Gestamp, we view sustainability as striking a balance between economic growth, social development and proper management of our environmental footprint. In this regard, responding to the needs of the communities in which we operate is a responsibility that we accept and an opportunity in the path towards achieving the sustainable development of our business.

Thus, we collaborate on local initiatives promoted by economic organisations (business, technology and innovation clusters and associations) and social and environmental ones (road safety, education, environmental awareness, socio-economic development, etc.).

Group-wide, we are firmly committed to socio-economic development and technical and industrial training and skills-building of young people. In this way, we encourage new generations to gain the studies and skills required to enter the job market under the best conditions and to improve their employability.

On a global level, we continue to participate in international programmes to meet the biggest challenges of our century. In 2008, we signed up to the UN Global Compact and, since they were approved in 2015, have adhered to the Sustainable Development Goals.

## Our response to the pandemic

The outbreak of COVID-19 has posed a challenge in terms of managing our relationships with the community. As a result of the pandemic, priority has been placed on endeavouring to mitigate the effects of the health crisis by contributing where help was needed the most. Therefore, our work sites have collaborated in numerous ways. Donations were made and medical supplies were provided using 3D printing.

Our employees' ability to innovate was also put to the test, launching initiatives such as the creation of door openers and protective screens or participating in the development of ventilator prototypes. Charity volunteer work was also done to help the victims of the pandemic.

### COLLABORATING IN THE DEVELOPMENT OF A DOOR OPENER

📍 Gestamp UK

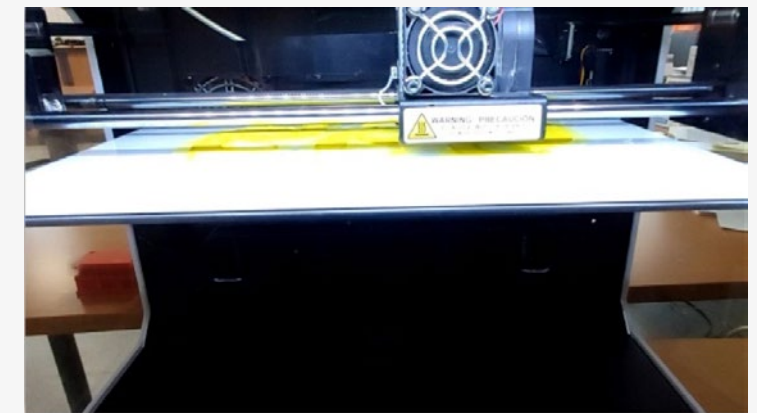
In order to reduce the risk of infection by avoiding opening doors with our hands, the UK Gestamp team collaborated in the manufacture and distribution of 800 door openers in hospitals and health centres near the West Midlands, Aycliffe and Llanelli plants. The project was launched in collaboration with the University of Sunderland (AMAP, Automotive & Manufacturing Advanced Practice) and the company Trotec, combining technical design and laser cutting technology.



### 3D PRINTING DOOR OPENERS

📍 Gestamp Navarra

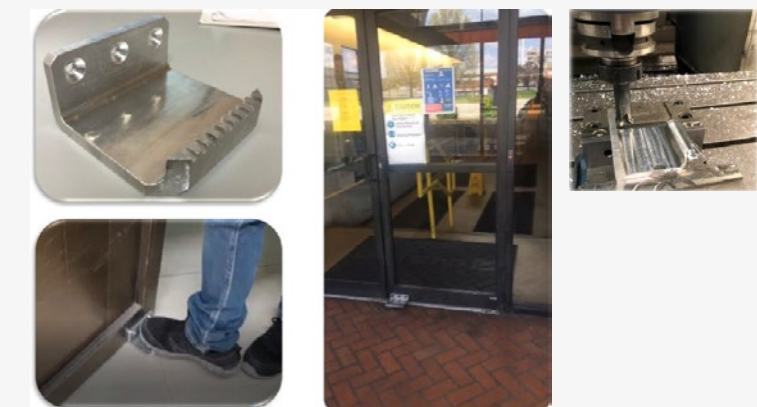
The objective was to reduce the risk of infection by avoiding opening doors with our hands. To do so, the Gestamp Navarra team collaborated in the manufacture and distribution of door openers in hospitals and health centres in the region.



### MANUFACTURING FOOT-OPERATED DOOR OPENERS

📍 NAFTA

Gestamp West Virginia (United States) and Gestamp Puebla (Mexico) have worked on the design and manufacture of foot-operated door openers in order to minimise the risk of infection.

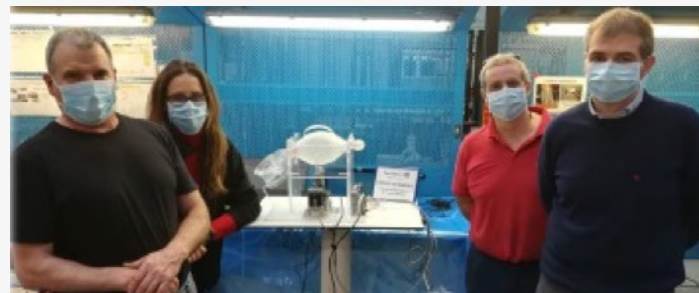
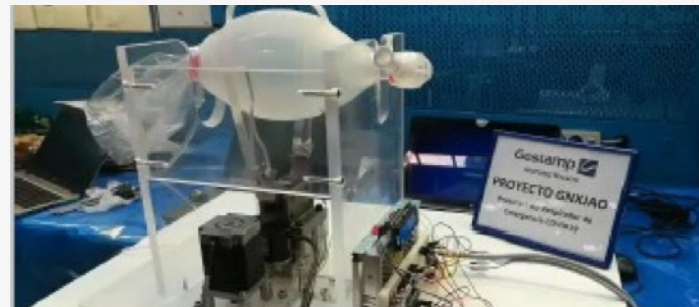




## DEVELOPING A PROTOTYPE OF AN EMERGENCY VENTILATOR

Gestamp Navarra

A team of welding maintenance, hydroforming and electrical engineer managers from Gestamp Navarra worked to design and develop a prototype of an emergency ventilator, consisting of a machine that automates the compression of a bag valve mask, simulating the work that a nurse would do.

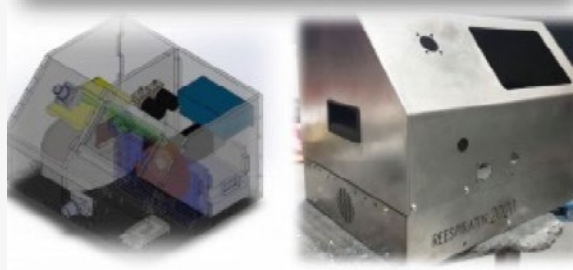


## COLLABORATING IN THE DEVELOPMENT OF A VENTILATOR

Gestamp Zaragoza

The Gestamp Zaragoza team collaborated in the design and development of a prototype of a level 3 invasive ventilator.

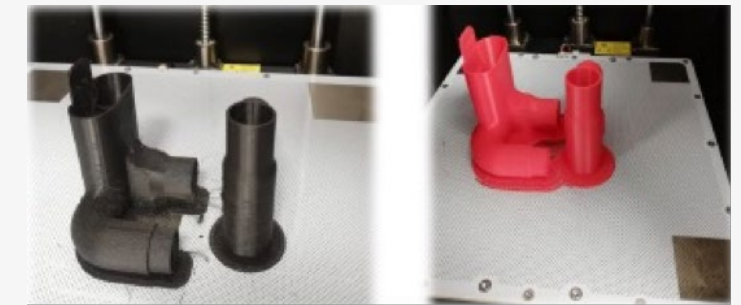
They worked alongside a multidisciplinary team of medical specialists, electronics engineers, software engineers and physicists, among others. The device is very advanced at a clinical, technological and operational level. It has a control system centralised via ethernet with remote monitoring, alarm logging, graphs and control parameters.



## 3D PRINTING PPE



Loire Gestamp and Gestamp Navarra manufactured 3D protective shields



Gestamp France (Meudon), manufactured parts for emergency ventilators



Gestamp Argentina 3D printed parts for protective shields



Edscha Santander used 3D printing to manufacture protective shields

## DESIGN AND INNOVATION IN THE PRODUCTION OF PROTECTIVE SHIELDS

Gestamp Aycliffe

The Aycliffe team has designed and developed a plastic laminated band with the aim of improving the fit and comfort of protective shields. Their innovative product was shared on design platforms created to fight against COVID. This easy and cheap solution demonstrates the Gestamp team's capacity for creativity, finding solutions and innovation.





## PRODUCING REUSABLE PROTECTIVE SHIELDS

Gestamp Chassis UK

The Chassis design team in the UK has used its prototyping machine to collaborate with a group of companies in the local area and supply reusable protective shields to ICU staff at the Royal Victoria Hospital in Newcastle.

The objective was to contribute to the production of reusable protective shields for distribution to healthcare professionals.

The design, supplied by our partners at the University of Sunderland, was developed with the medical team from the hospital's ICU department. It is a very effective solution both in terms of cost and recycling.



## DONATING MEDICAL EQUIPMENT TO THE SPANISH GOVERNMENT

Gestamp donated 200,000 FFP2 face masks, 270,000 surgical masks and 50,000 nitrile gloves to the Spanish Government in order to protect healthcare professionals.



## DONATING MOBILE PHONES TO COVID-19 PATIENTS - GESTAMP SERVICIOS

Gestamp Servicios collaborated with the cardiology service of the Ramón y Cajal Hospital in Madrid for the "United by the Heart" programme by donating mobile phones. The aim of the initiative was to enable the most vulnerable patients to talk to their relatives on the phone while they were in quarantine.



## DONATING MEDICAL EQUIPMENT TO THE EMERGENCY SERVICES – EDSCHA

Germany

Edscha's headquarters donated FFP2 masks and produced and distributed disinfectant gel for the emergency services of the city of Reimscheid in Germany.



## DONATING VENTILATORS – EDSCHA

Burgos

Edscha Burgos donated several state-of-the-art ventilators to the Pneumology Department of the University Hospital of Burgos, to help them face the second wave of the pandemic.



## COVID VOLUNTEERING WITH LOCAL COMMUNITIES

Gestamp Argentina

Our employees at Gestamp Argentina have carried out various solidarity initiatives under the name #GestampSolidaria [Gestamp solidarity]





# Collaboration with non-profit organisations

In addition to performing activities related to the pandemic caused by COVID-19, we have continued to collaborate with diverse non-profit entities.

In 2020, we continued to apply the LBG (London Benchmarking Group) methodology for identifying, classifying and assessing our social contribution.

Overall, 140 social and not-for-profit activities were identified that have benefited 228 organisations and a total of 2,437 employees voluntarily participated in these actions. The total value of the contribution amounts to 1,360,914 euros.

By contribution type, most of the activities undertaken were monetary contributions (86.6%), followed by time dedicated by employees to causes during their work hours (12.5%). Another contribution, albeit representing a small percentage (0.9%), were in-kind contributions, such as donating leftover construction materials to non-profit organisations, or surplus office supplies and furniture to families affected by natural disasters.

Especially significant among all these initiatives are the ones that our employees launched in conjunction with the company to mitigate the effects of COVID-19, which reach a total economic value of 550,429 euros.



## Social contribution

2,437



EMPLOYEES PARTICIPATING

140



NUMBER OF INITIATIVES

18,548



DIRECT BENEFICIARIES

228

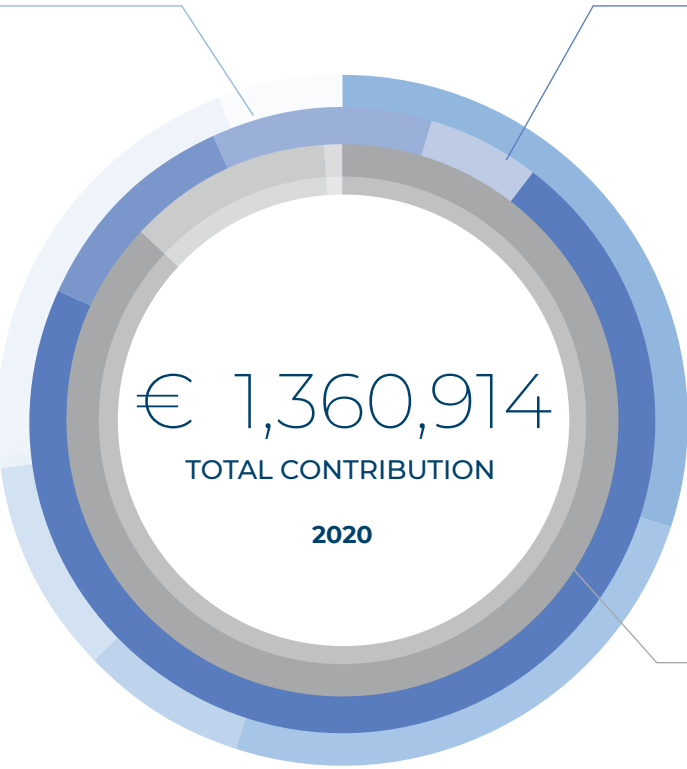
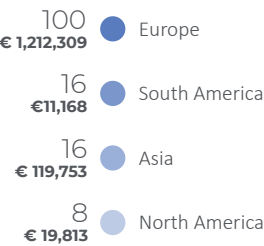


ORGANISATIONAL BENEFICIARIES

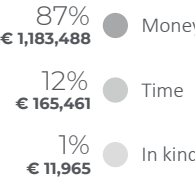
### POR ÁREA DE ACTUACIÓN N° INITIATIVES AND FINANCIAL VALUE €



### GEOGRAPHIC SCOPE N° INITIATIVES AND FINANCIAL VALUE €



### CONTRIBUTION TYPE FINANCIAL VALUE €



## Breakdown by Sustainable Development Goals

	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	8 DECENT WORK AND ECONOMIC GROWTH	10 REDUCED INEQUALITIES	13 CLIMATE ACTION	17 PARTNERSHIPS FOR THE GOALS
NUMBER OF INITIATIVES	13	9	43	42	8	5	14	6
FINANCIAL VALUE (%)	1%	1%	46%	29%	2%	1%	2%	20%
FINANCIAL VALUE (EUROS)	€ 12,800	€ 8,291	€ 622,854	€ 388,991	€ 21,964	€ 10,021	€ 24,511	€ 271,483





## PLANTING TREES WITH GREENPEACE

📍 Gestamp Severstal-Kaluga (Russia)



**SDG 15**  
Life on land

A group of volunteers from Gestamp Severstal-Kaluga participated in planting a protective forest near the Kvanka River in the Ugra National Park. 1,400 oak seedlings were planted on two hectares of land during a day organised by Greenpeace, which had to be carried out in a specific manner due to COVID-19 restrictions.

A plan has already been made to plant oaks from the national park nursery next spring and in the future, maples, elms, ashes and lime trees. The variety of hardwood species native to the area will strengthen the forest and the objective is to restore the strength of the shallow Kvanka River and protect neighbouring agricultural fields from the elements and excessive gully erosion.

Protective forests play a key role in preserving biodiversity, soil properties and the climate of the region, in preventing rivers and streams from drying up and in protecting soil from erosion.

We plant trees where they are most needed, on degraded and abandoned agricultural land, i.e., in places where diverse and sustainable forests will not be growing anytime soon.

In addition to the environmental objectives, our volunteers were given the opportunity to do a good deed and enjoy spending time with colleagues and loved ones, as well as to learn new things from Greenpeace experts.

## Youth employment training

As part of Gestamp's strategy, we foster employability by providing technical and industrial training and skills-building for the young people in the local communities where we operate. To do this, we enter into collaboration agreements and make direct donations in the form of scholarships at regional universities, business schools and vocational training centres.

We also hire young apprentices, who take part in dual study programmes around the world, combining practical training at the company with theoretical sessions taught at vocational training centres

### BE SMART

📍 Gestamp Bielefeld (Germany)



**SDG 4**  
Quality Education

Gestamp Bielefeld launched this initiative which aimed to offer six students the opportunity to get a first insight into the world of work.

We challenged the students to transform a classic Volkswagen Bulli model into a mini autonomous vehicle. To do so, they had the help of seven apprentices from the plant and some of the teachers from the Bielefeld training centre.

The apprentices had already started working on the project before the students joined, preparing documents for them to use as a guide for building a car model that could be converted into an autonomous vehicle, as well as doing the programming and developing a linked control unit.

They also oversaw all aspects of managing the entire project, such as its creation, planning, execution and monitoring. It was essential for them to use skills such as group and individual work, as well as good time management.

Just like in the real world, our apprentices sometimes had to stop and rethink their ideas, finding new solutions to the problems that arose.

The result was a series of self-driving Volkswagen Bulli models, equipped with a modified steerable front axle and rear-wheel drive that enable autonomous driving through a mobile application.



[WATCH THE VIDEO OF THE PROJECT](#)



"It was a great opportunity for our talented young people to carry out every stage of such a varied project, with a high level of practical guidance."

**CHRISTIAN BEITELHOFF**

MANAGER OF THE GESTAMP BIELEFELD  
TRAINING CENTRE



This type of training is intended to help youths under the age of 25 earn a post-compulsory secondary school certificate, to enhance the employability of young people through the combination of theory and practice and to strengthen the relationships between our work sites and educational institutions.

These apprentices, usually acting under the guidance of a mentor, are hired and registered in the Social Security system, work regular hours and are paid

a small salary. During 2020, Gestamp hosted 427 apprentices and interns.

In turn, certain work sites have taken part in initiatives that seek to give young people who have not yet started their advanced education an introduction to the realities of the workplace, helping them to develop key skills and abilities for their professional future and fostering an interest in technical fields among young women.

LABORES0

EDSCHA Santander (Spain)



SDG 4  
Quality Education



SDG 5  
Gender Equality

LaborESO is a programme run by the Chamber of Commerce of Cantabria, which aims to facilitate introducing Secondary School students in the region to the world of work.

The students do work experience in a company for two weeks. This allows them to understand themselves and their skills, abilities and interests better, as well as gain an insight into the world of work and the companies in the region.

This experience helps them to decide what they want to do after leaving school, something that will determine their academic and professional future.

In Edscha Santander, we had a student working in the area of Prototype and Stamping Management. His personal challenge was to prove to himself that he could do that job in the future, despite having a disability that limits how much he can move his left hand.

Part of this programme was the “DARE TO CHANGE” day. The objective was to encourage girls to choose technical subjects when applying for vocational or university courses and thereby overcome gender bias. To help with this, female engineers, computer scientists and referees and male secretaries, nurses and nursery teachers participated in the programme. Rita Obregón represented Edscha Santander as Head of Prototype Management and spoke to the 60 participating students about her experiences from when she started as a worker to her current position.



The students knew exactly what they wanted to study but also had many questions about what the job entails in real life, so they focused their questions on their worries about entering the world of work. They felt comfortable and fully engaged with the programme. Even those who did not know our company showed an interest in the plant and the Gestamp Group, considering it a benchmark for the type of company they want to work for in the future.

“I found this a very rewarding experience as I was able to enjoy a day with young people with a lot of initiative and potential and to introduce new professional horizons to the younger generations.”

RITA OBREGÓN  
HEAD OF PROTOTYPE MANAGEMENT AT  
EDSCHA SANTANDER

SOLIDARITY SOCIAL ACTION PLAN  
“DECIDE TODAY, IMAGINE THE COMPANY OF TOMORROW”

EDSCHA Santander (Spain)



SDG 4  
Quality Education

This initiative, launched by the Association for Management Progress (APD) in collaboration with the Junior Achievement Foundation, has provided training to 987 students with the participation of 32 directors of various companies. These volunteers have become role models for the students of 13 schools in the region, who have learned and reflected on leadership, critical and creative thinking, effective communication and ethical values.

The programme is based on a practical and active methodology that puts students in charge of their own learning, promoting “learning by doing”. Students are encouraged to develop skills such as creativity, active communication and teamwork, among others. They are presented with motivational challenges to find out what they would do when faced with dilemmas where they can choose between ethical or purely economic decisions, showing them how their attitude can contribute to social change.

Through different activities, the students had to decide how to respond to these complex dilemmas, something they can now apply to the classroom and world of business. The programme also encouraged debate and reflection both as an individual and in a group, with a volunteer acting as mediator and the help and experience of the teachers.

Finally, they were made aware of the importance of following a decision-making process in line with their own values in order to be socially responsible, since the objective of a company is not only to generate a profit but also to create value for society on a social, environmental and economic level.

It is not only the pupils who benefit but also the volunteers as they can develop various skills and abilities and have the opportunity to talk to the workers of tomorrow and find out their concerns.

Edscha Santander participated through its Head of Human Resources, who shared her work and life experience and the basic principles she applied in her day-to-day work.



Participant evaluation

	LEARNING	ASSESSMENT	SATISFACTION
Volunteers	81%	88%	100%
Schools	89%	100%	100%
Students	65%	71%	83%

“I enjoyed the experience because the students were fully engaged and eager to do their bit to build a better world.”

PATRICIA ARTEAGA  
HEAD OF HUMAN RESOURCES AT EDSCHA  
SANTANDER.

## Social contribution through associations and organisations

We at Gestamp endeavour to promote the sector and local development from various perspectives. Putting this commitment into practice, we are actively involved in a range of initiatives geared towards social issues and economic issues, in the form of business clusters and associations.

We participate in organisations, institutions and forums that aim to foster socio-economic development, innovation and quality and to contribute to spreading knowledge about the automotive sector.

Innovation is a strategic priority at our company, which we promote through our participation in organisations like the University Institute of Automobile Research and the COTEC Foundation. We practice what is known as sustaining innovation, which seeks to strengthen the core business and ensure sustainability, efficiency and competitiveness.

Technology transfer and knowledge management are also priority issues in our business model, which is

why we take part in numerous educational programmes and dual vocational training schemes through CLEPA, the European Association of Automotive Suppliers.

Participation in technological associations helps us in the transfer process of new technologies, which is the usual mechanism through which the organisation adapts to the requirements entailed in new projects. These new projects also end up fostering socio-economic development as a whole.

We have listed some of the associations and organisations that we participate in:

### INDUSTRIAL ASSOCIATIONS

- CLEPA (European Association of Automotive Suppliers)
- SERNAUTO (Spanish Association of Automotive Suppliers)
- ASEPA (Spanish Association of Automotive Professionals)
- STA (Association of Automotive Engineers)
- INSIA (University Institute of Automobile Research)
- CDTI (Centre for the Development of Industrial Technology)
- AEC (Spanish Quality Association)
- Industry 4.0 Chair of the Comillas Pontifical University

### ECONOMIC ASSOCIATIONS

- Círculo de Empresarios (Businesspersons Association)
- Spanish Exporters and Investors Club
- IADG (Atlantic Institute of Governance)
- IEF (Family Business Institute)
- CEOE (Spanish Confederation of Business Organisations)
- CCE (Spanish Chamber of Commerce)
- COTEC Foundation for Innovation

### PROFESSIONAL ASSOCIATIONS

- AED (Spanish Association of Executives)
- APD (Association for Management Progress)
- Corporate Excellence- Centre for Reputation Leadership
- DIRCOM (Association of Communication Managers)
- FUNDACOM (Spanish-Portuguese communication platform)
- Forética (Corporate Social Responsibility association for businesses and professionals)
- Spanish Network of the United Nations Global Compact

### BILATERAL CHAMBERS OF COMMERCE

- German-Spanish Chamber of Commerce (AHK)
- British Chamber of Commerce in Spain
- Brazilian-Spanish Chamber of Commerce (CCBE)
- Spain-China Council Foundation
- Spain-US Council Foundation
- Spain-Japan Council Foundation
- Spain-Russia Council Foundation
- Moroccan-Spain Economic Council (CEMAES)

### SPANISH REGIONAL CLUSTERS

- Basque Automotive Cluster
- Automotive Cluster of Aragon (CAAR)
- Automotive Cluster of Cantabria (GIRA)
- Automotive Cluster of the Community of Valencia (AVIA)
- Automotive Company Cluster of Galicia (CEAGA)
- Automotive Industry Cluster in Catalonia (CIAC)
- Automotive Forum of Castilla y León (FaCyl)

## RESPONSIBLE BUSINESS COMMITTEE. SERNAUTO

Spain



SDG 17  
Partnerships to achieve the goals

In 2020, the Spanish Association of Automotive Suppliers (SERNAUTO) created the Responsible Business Committee, which is part of the Strategy developed by the Association to highlight the sector's contribution to the United Nations 2030 Agenda for Sustainable Development and to promote initiatives in this area.

The Committee, made up of leading automotive suppliers in this field, is chaired by the Vice-President of SERNAUTO, Miguel López-Quesada, Director of Communications, Marketing and Business Relations at Gestamp.

During 2020, a detailed action plan was carried out which achieved milestones such as producing the White Paper "Contribution of the Spanish automotive components industry to Sustainable Development", creating an industry matrix of relevant issues, standards, regulations and best practices in the sector, developing a tool to help distribute the Non-financial Information Statement, as well as organising several webinars, debates and workshops on sustainability and automotive suppliers.



DOWNLOAD THE  
DOCUMENT

"This Committee is based on collaboration and aims to bring together companies in the sector, as well as to promote projects, tools and initiatives that enable member companies to implement or improve their sustainability strategies, with a view to continuing to generate shared value and contribute to achieving the SDGs."

MIGUEL LÓPEZ-QUESADA

DIRECTOR OF COMMUNICATIONS, MARKETING AND BUSINESS RELATIONS AT GESTAMP



# GOVERNANCE DIMENSION

+ 166 GOVERNING  
BODIES

+ 184 RISK  
MANAGEMENT

+ 192 ETHICS AND  
REGULATORY  
COMPLIANCE



# Governing Bodies

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## Shareholding Structure

All shares belong to **a single class and series** and provide their owners with the same rights and duties

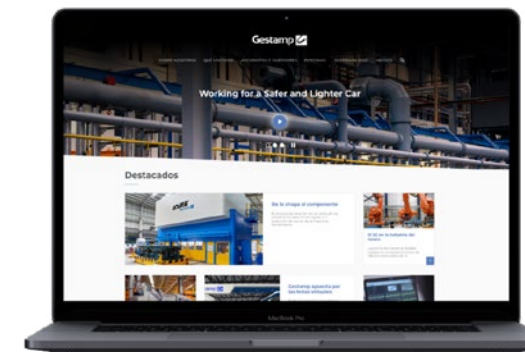
As of the date of this Report, in accordance with the data recorded in the official register of the National Securities Market Commission (CNMV), the current shareholding structure of Gestamp Automoción S.A. (hereinafter, "Gestamp" or the "Group") is as follows:

- Acek Desarrollo y Gestión Industrial, S.L. ("Acek") holds 130,985,226 shares, representing 22.76% of the Company's total share capital.
- Gestamp 2020, S.L. ("Gestamp 2020") holds 288,332,760 shares, representing 50.10% of the Company's total share capital. Acek holds 75% of the share capital of Gestamp 2020, while Mitsui & Co. Ltd. holds the remaining 25%.
- The rest of the share capital, i.e., 27.14% is free float.



## Corporate Governance System

**+** OUR CORPORATE GOVERNANCE IS CURRENTLY BASED ON THE FOLLOWING RULES, WHICH ARE AVAILABLE ON OUR WEBSITE



- Company By-Laws
- Regulations of the General Shareholders' Meeting
- Regulations of the Board of Directors
- Code of Conduct
- Internal Code of Conduct with regard to the Securities Market
- Particular corporate policies

Our Corporate Governance rules are periodically reviewed and updated. The contents are modelled and based on our commitment to the Best Corporate Governance Practices, business ethics and social responsibility in all areas of action.

## Governing Bodies

To meet the transparency and business ethics commitments, the Company implements its rules of corporate governance through the following Governing Bodies, which distinctly undertake strategy and supervision, and administration and management functions:

- 01. General Shareholders' Meeting**  
 The General Shareholders' Meeting is the shareholders' main way of participating in Gestamp, and it is our highest decision-making body where all duly-convened shareholders gather to discuss and decide on, subject to the majority requirements applicable in each case, matters falling within its scope of authority.
- 02. Board of Directors**  
 Focuses on establishing, supervising and monitoring the policies, strategies, and general guidelines to be followed by the Company and the companies in its consolidated Group.  
  
**Committees of the Board of Directors**  
 The Board of Directors receives support from specialist internal committees in the undertaking of its work. In this regard, the Board of Directors has formed an Audit Committee and a Nomination and Compensation Committee.
- 03. Management Committee**  
 Is responsible for the organisation and strategic coordination of the Group by disseminating, implementing and monitoring the business strategy and guidelines.



## Annual General Meeting

The General Shareholders' Meeting is the shareholders' main way of participating in Gestamp, and it is our highest decision-making body where all duly-convened shareholders gather to discuss and decide on, subject to the majority requirements applicable in each case, matters falling within its scope of authority.

### Functions

The General Shareholders' Meeting decides on any matter falling within its scope of authority in accordance with the Law, the By-laws and the Regulations of the Company's General Shareholders' Meeting, having authority to pass resolutions on the matters listed below, without limitation:

- Appointment, re-election and removal of members of the Board of Directors.
- Appointment, re-election and dismissal of the auditor of the Company and its consolidated group.
- Approval of the financial statements and allocation of profits and approval of the Company's management.
- Authorisation to acquire treasury shares or shares of the parent company.
- Amendment of the By-laws.
- Increase and reduction of the share capital, and the exclusion or limitation of pre-emptive rights.
- Issuance of bonds convertible into shares, or any other security conferring the right to subscribe for newly-issued shares at the Company.
- Acquisition, disposal or contribution to another company of essential assets and transfer to subsidiaries of essential activities.
- Transformation, merger, spin-off or global assignment of assets and liabilities, and transfer of the registered offices overseas.
- Dissolution of the Company and approval of any actions having liquidation-related consequences for the Company.
- Approval of the liquidation final balance sheet.
- Approval of the remuneration policy applicable to directors.
- Establishment of any share-based remuneration system for directors involving delivery of shares or share options, or any payment tied to the value of shares.
- Authorisation or waiver for directors of any prohibition derived from the duty of loyalty and the duty to avoid situations of conflict of interest.
- Approval and amendment of the Regulations of the General Shareholders' Meeting.
- Any other matter reserved for the General Shareholders' Meeting, whether by law or under the By-laws.



### Rights of shareholders

Shareholders are entitled to examine all the documents related to the General Shareholders' Meeting as of the date on which the Meeting is called, at the company's registered office or via the Gestamp website.

Moreover, between the date of publication of the notice of call to the General Shareholders' Meeting and the fifth day before the date scheduled to hold it on first call, shareholders may request in writing any reports or clarifications they deem necessary, or draw up in writing any questions they deem pertinent, concerning the matters included in the agenda.

In addition, a number of shareholders representing at least three percent (3%) of the share capital will be entitled to request publication of an addendum to the General Meeting's notice, to include one or more additional items in the agenda, within the deadlines and in the manner set forth by Law.

Similarly, shareholders representing at least three percent (3%) of the share capital may submit substantiated proposed resolutions on any matters already included or which should be included in the agenda, within the term and in the manner established by Law. Said proposed resolutions and, where appropriate, supporting documentation, will be published continuously on Gestamp's website.

The structure, responsibilities and functioning of our **Board of Directors** are governed by the Spanish Capital Companies Act, the Company By-Laws and the Regulations of the Board of Directors

## Board of Directors

The Board of Directors is responsible for supervising, managing, controlling and representing the Company. At the core of its mission, it must establish the approval of the Company's strategy and the organisation required to put it into practice, as well as the supervision and control of goal achievement by management, and respect for the Company's purpose and interests.

### Functions

The following non-delegable competencies are assigned to the Board of Directors:

- The Company's general policies and strategies:
  - the strategic or business plan, as well as management objectives and annual budgets;
  - the investment and financing policy;
  - the definition of the structure of the Company and its group;
  - the Company and its group's Corporate Governance policy;
  - the environmental and social sustainability policies;
  - the remuneration policy and senior management's performance assessment. For these purposes, senior managers are defined as any managers answering directly to the Board, executive committees or managing directors;
  - the dividend and treasury stock policy and, in particular, its limits;
  - the risk control and management policy, including tax risks, as well as the periodic monitoring of internal information and control systems.

- The following decisions:

- upon proposal by the Company's chief executive, the appointment and possible dismissal of senior managers, as well as their severance conditions;
- distribution among the directors of the fixed annual remuneration determined by the General Meeting, which will be held by the Board of Directors, taking into account the conditions of each director, the roles and responsibilities allocated to them and their relevance to the various committees and, in relation to executives, determining their additional remuneration for their executive functions and other conditions that their contracts must observe;
- the financial reporting that the Company, due to its status as a listed company, must periodically publish;
- all kinds of investments or operations which, due to their significant amount or special characteristics, are strategic or have a special tax risk, unless their approval corresponds to the General Meeting;
- and the creation or acquisition of shares in special-purpose entities or entities based in countries or territories classified as tax havens, as well as any other transaction or operation of a similar nature that, due to their complexity, could diminish the Company's transparency.

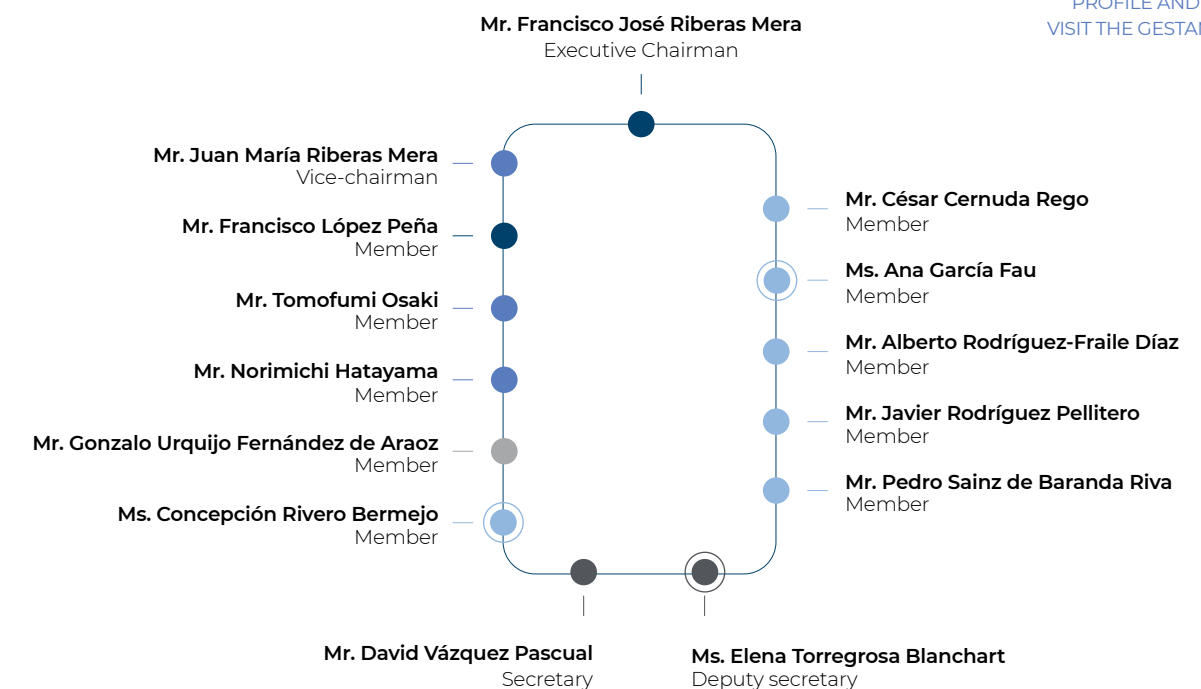
- The preparation of any kind of report legally required from the Board of Directors provided that the operation referred to in the report cannot be delegated.
- Monitoring the effective functioning of the committees formed and the performance of the delegated bodies and appointed managers.
- Convening the General Meeting and drawing up the agenda and proposed resolutions.
- The powers that the General Meeting delegates to the Board of Directors, unless authorisation is expressly given by it to sub-delegate them.
- Transactions that the Company, or companies belonging to the Group, undertakes with Directors, major shareholders or shareholders represented

in the Board of Directors of the Company or of other companies belonging to the Group, or with persons related to it, after a favourable report from the Audit Committee, and with the abstention of the affected directors, except for exempt cases set out in the legislation in force.

- Other decisions specifically set out in the Regulations of the Board of Directors.

### Structure

The Board of Directors comprises 12 members, of whom 6 are independent directors, 3 are proprietary, 2 are executive, and 1 is an external director. Thus, Gestamp complies with Recommendation 17 of the Good Governance Code for Listed Companies, which entails having at least 50% of the Board of Directors represented by independent directors.



FOR MORE INFORMATION ON DIRECTORS PROFESSIONAL PROFILE AND BIOGRAPHY, VISIT THE GESTAMP WEBSITE.



Diversity of the Board

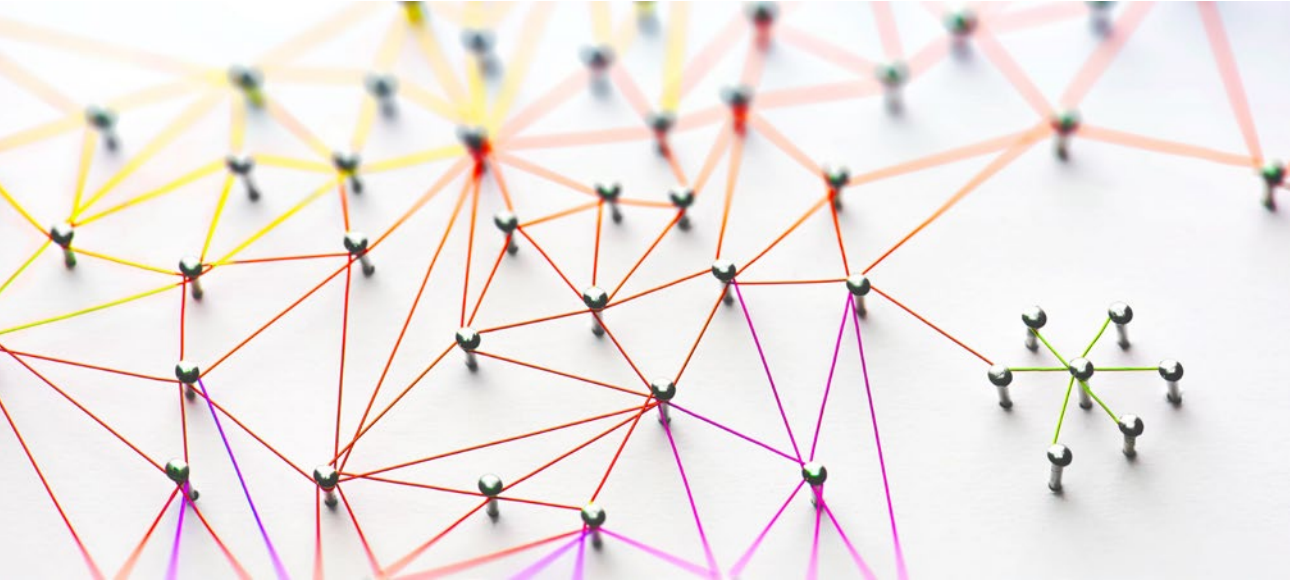
The Board of Directors’ Selection Policy approved by the Company’s Board of Directors on 14 December 2017, at the proposal of the Appointments and Remuneration Committee, sets out the procedures and mechanisms for the selection of Directors in order for the Company’s Board of Directors to have the knowledge, skills and experience necessary to guarantee suitable governance of the Company at all times. This policy sets out the underlying principles that are to govern it, which include the following:

- **Equal treatment and transparency.** This principle states that the selection of directors shall be transparent and free from implicit bias, so as to guarantee the same opportunities for all qualified candidates.
- **Diversity.** This principle states that diversity of experience, knowledge and gender is to be encouraged.

The Board of Directors’ Knowledge, Skills, Diversity and Experience Guide sets out the knowledge, skills, diversity and experience that the Board of Directors as a whole must possess such that it ser-

ves as a reference and support tool for the Board of Directors’ Selection Policy. This guide, approved on 14 December 2017 by the Board of Directors at the proposal of the Appointments and Remuneration Committee, develops the aforementioned principles and establishes that, for the purposes of selecting candidates and re-electing Directors, and in the face of equal knowledge and experience, diversity is to be encouraged, thus preventing discrimination on grounds of gender, age, culture, religion and race, and that the composition of the Board of Directors is to be in accordance with the demographic reality of the markets in which the Company operates.

In relation to the latest vacancy arising on the Board of Directors in 2019, for the purposes of complying with the terms of the Selection Policy of the Board of Directors and the Board of Directors’ Knowledge, Skills, Diversity and Experience Guide, and also to foster diversity on the Board, the Company’s Nomination and Compensation Committee, at its meeting held on 25 July 2019, resolved to adopt a measure that would favour the election of a woman to fill the position, as long as the candidates were equal in terms of knowledge and experience.



Collective knowledge of the Board of Directors

As a whole, the Board must possess sufficient knowledge, skills and experience to guarantee adequate governance of the Company in line with its activities, including its main risks, ensuring that it has effective capacity for independent and autonomous decision-making in the Company’s interest. For the purposes of defining the skills, knowledge and experience that are deemed most appropriate for the Board of Directors as a whole and in order to verify the suitability of a candidate whenever a vacant position on the Board opens up, the Appointments and Remuneration Committee approved the following matrix for the Board of Directors at its meeting on 18 May 2020.

BOARD OF DIRECTORS EXPERIENCES, SKILLS & KNOWLEDGE MATRIX

	César Cernuda Rego	Tomofumi Oaki	Francisco López Peña	Francisco J. Ribera Mera	Concepción Rivero Bermejo	Normichi Hayama	Alberto Rodríguez Fraile Díaz	Pedro Sainz de Baranda Rúa	Gonzalo Urquijo Fernández de Azaola	Ana García Fau	Juan María Ribera Mera	Javier Rodríguez Pelitero
PROFESSIONAL EXPERIENCES	Nomination & Compensation Committee						Audit Committee					
Governing bodies, steering committees or in the management of other listed or relevant companies	•	•	•	•	•	•	•	•	•	•	•	•
Strategy definition and execution	•	•	•	•	•	•	•	•	•	•	•	•
Growing companies or /and in consolidation process	•	•	•	•	•	•	•	•	•	•	•	
International environments	•	•	•	•	•	•	•	•	•	•	•	
Sectors with a high technological development or companies undertaking a digital transformation process	•				•			•		•		
The automotive industry		•	•	•		•					•	
The steel industry		•		•		•			•		•	
SKILLS & KNOWLEDGE												
Legal												•
Accounting and Finance		•	•				•	•	•	•	•	•
Audit			•						•	•		•
GOOD CORPORATE GOVERNANCE												
Independence	•				•		•	•		•		•
Diversity (nationality, gender, culture...)		•			•	•				•		

The Directors with proven experience in Corporate Social Responsibility (CSR) matters are: Gonzalo Urquijo was CSR director for the Arcelor Mittal Group and Francisco López Peña was chairman of the CSR Committee at CIE Automotive.

This matrix will be updated on a regular basis in line with the potential vacancies that arise in the Board of Directors and the new challenges and opportunities faced by the Company in the short, medium and long terms.

## Assessment of the Board of Directors' performance

Pursuant to the Regulations governing Gestamp's Board of Directors, the Board shall devote the first of its annual meetings to evaluating its own functioning in the previous year and, where appropriate, adopting an action plan to correct any aspects seen to be of scant functionality. Furthermore, the Board of Directors shall also assess (i) the performance of the duties of the chairperson of the Board and, should the position be held by a different person, that of the chief executive of Gestamp, based on the report submitted by the Appointments and Remuneration Committee; as well as (ii) the functioning of the Committees of the Board of Directors, based on the reports they submit to it.

The evaluation process of the Company's Board of Directors began on 29 October 2020 and was coordinated by the Appointments and Remuneration Committee, at the request of the Chairman of the Board of Directors. In this regard, in compliance with Recommendation 36 of the Good Governance Code for Listed Companies, the Company hired an external consultant this year for the evaluation process. This process consisted mainly in filling out an assessment form, personal interviews with each of the members of the Board of Directors conducted by the external consultant, the issuance of an assessment report and preparation of an action plan.

The areas evaluated were as follows:

- Functioning and Effectiveness of the Board of Directors.
- Performance of the Chairman of the Board of Directors.
- Performance of the Chief Executive Officer.
- Performance of the Secretary of the Board of Directors.
- Performance and contribution of each Director.
- Functioning and composition of the Audit Committee.
- Functioning and composition of the Nomination and Compensation Committee.

On 16 December 2020, the results of their assessment were submitted to the Appointments and Remuneration Committee, as well as those regarding the evaluation of the Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer and the Secretary of the Board of Directors. On 17 December 2020, the results of their evaluation were submitted to the Audit Committee. After analysing the results, each of the Committees issued a report on the evaluation. In addition, with the aid of the external advisor, the Appointments and Remuneration Committee once again prepared an action plan to be presented at the first meeting of the Board of Directors in 2021 together with the reports issued by each of the Committees.

The action plan approved by the Board of Directors in relation to the results of the evaluation for financial year 2020 includes some recommendations to be carried out in 2021. In this regard, one of the most important objectives is to promote **strategic and ESG** (Environmental, Social and Governance) **issues**, and the possibility of setting up a new committee within the Board of Directors has been raised, to assist in matters related to sustainability, technology and innovation. The plan also calls for continuing to monitor compliance with the diversity principle included in the Board of Directors Selection Policy and its Knowledge, Skills, Diversity and Experience Guide.

### Calling and regularity of meetings

The Board of Directors shall meet as often as necessary to effectively perform its functions, provided this is required in Gestamp's interest, and at least six times a year with at least one meeting being held per quarter.

In 2020, the Board of Directors met on 9 occasions. All the meetings were presided over by the chairman.

## Chairman of the Board of Directors

NAME: MR. FRANCISCO J. RIBERAS MERA  
APPOINTED: 03/03/2017 EFFECTIVE AS OF 24/03/2017

The Chairman of the Board of Directors of the Company is elected from among the members of the Board after a report from the Appointments and Remuneration Committee. The Board, after receiving the report from the Appointments and Remuneration Committee, may appoint one vice-chairman or more to replace the chairman in the event of absence or incapacity.

### Functions

- Holds this status for the Company and all corporate bodies thereof, which he will permanently represent.
- May hold the position of Chief Executive of the Company and as such be responsible for the effective management of the Company's business, always in accordance with the decisions and criteria established by the General Shareholders' Meeting and Board of Directors.
- Prepares and submits to the Board a schedule of meeting dates and agendas; organises and coordinates regular evaluations of the Board and, where applicable, of the Chief Executive Officer. He exercises leadership of the Board and is accountable for its proper functioning; he ensures that sufficient time is given to the discussion of strategic issues, and approves and reviews introductory and knowledge refresher courses for each director, when circumstances so advise.
- Chairs the General Meeting and guides the discussions and deliberations held.
- Is responsible for convening and chairing Board meetings, setting the agenda and guiding discussions and deliberations. He ensures that Directors timely receive enough information to discuss items on the agenda. He encourages debate and active participation during the meetings.

As Chairman and Executive Director of Gestamp he is responsible for corporate strategy and development, including business relations at the highest level with the Group's clients, Corporate Governance and institutional representation of Gestamp.

## Chief Executive Officer (CEO)

NAME: MR. FRANCISCO LÓPEZ PEÑA  
APPOINTED: 14/12/2017 EFFECTIVE AS OF 20/02/2018

On 5 November 2020, the Board of Directors was notified about the voluntary resignation of Mr Francisco López Peña from his position as the Company's Managing Director, effective 1 January 2021, becoming as from that date the Company's Chief Executive Officer.

The Board of Directors can permanently delegate its powers to one or more members of the Board, except for those powers reserved for the Board by Law, the Articles of Association or the Regulations herein.

The permanent delegation of the Board of Directors' powers and the appointment of the Director or Directors vested with the delegated powers shall not be valid unless they receive the favourable vote of at least two thirds of the members of the Board of Directors. The CEO's appointment is proposed by the Chairman following a report by the Appointments and Remuneration Committee.

### Functions

- The CEO is tasked with effectively representing and steering the Company's business, always in line with the decisions reached and criteria set by the General Shareholders' Meeting and the Board of Directors, within their respective spheres of authority.

## Coordinating Director

NAME: MR. ALBERTO RODRÍGUEZ FRAILE, INDEPENDENT DIRECTOR  
APPOINTED: 24/07/2017

Given the Chairman's status as executive Director, the Board of Directors, following a proposal by the Appointments and Remuneration Committee and the abstain from voting of the executive directors, it was agreed to appoint a Coordinating Director.

### Functions

- Ask the Chairman to call a Board of Directors meeting or to include new items on the agenda of a meeting already called, when deemed appropriate.
- Chair the Board of Directors meeting if the chairman and vice-chairman are absent.
- Contact investors and shareholders to hear their perspectives in order to form an opinion about their concerns, particularly those relating to the Company's corporate governance.
- Coordinate and meet with non-executive Directors to discuss their concerns, and to coordinate the succession plan for the chairman of the Board of Directors.
- Lead the periodic assessment of the chairman of the Board of Directors.



## Committees of the Board of Directors

Greater efficiency and transparency in exercising the powers and performing the functions assigned to the Board of Directors warrant the establishment of committees.

These committees are not only called upon to facilitate decisions of the Board (by assessing the matters in advance), but also to strengthen the principles of objectivity and reflection with which the Board of Directors must address certain issues. To this end, the Board of Directors has formed an Audit Committee and Nomination and Compensation Committee.

## Audit Committee

### Functions

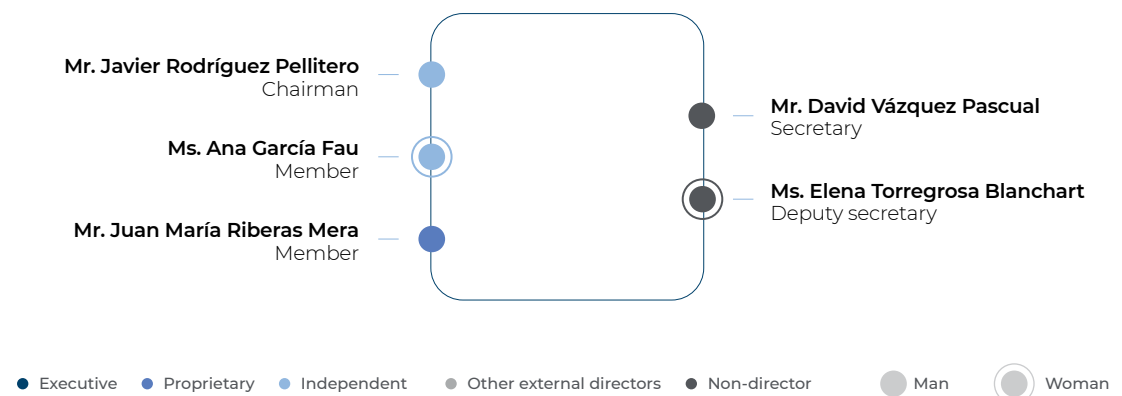
- Informing the General Shareholders' Meeting about issues raised by the shareholders on matters under its competency and, in particular, about the audit findings.
- With regard to information systems and internal control:
  - Supervising and assessing the preparation process, integrity and presentation of financial and non-financial reporting.
  - Periodically reviewing the internal control and risk management systems, including fiscal risks, and also discussing with the auditor any significant weaknesses in the internal control system found during the audit.
  - Safeguarding the independence and effectiveness of the internal auditing function; proposing the selection, appointment, re-election and dismissal of the head of the internal audit service; proposing the budget for this service; approving the internal audit annual work plan and ensuring that this activity is focused primarily on the relevant risks (including reputational risks); regularly receiving information about its activities; verifying whether senior management takes into account the conclusions and recommendations in its reports; and discussing with the auditor or auditing firms any significant weaknesses in the internal control system detected in the audits.
  - Establishing and overseeing a mechanism whereby employees and other people related to the Company, such as board members, shareholders, suppliers, contractors and subcontractors, can anonymously or confidentially report irregularities of any nature that they notice within the Company or its group.
- Ensuring that the policies and systems established for internal control are effectively applied in practice.
- With regard to the account auditor:
  - Submitting proposals to the Board on the selection, appointment, re-election and replacement of the auditor.
  - Ensuring that the Company reports any changes of auditor to the National Securities Market Commission and that, if there were disagreements with the outgoing auditor, such reporting includes a statement about these disagreements and the contents thereof.
  - Regularly receiving information from the auditor regarding the audit plan and results of its implementation.
  - Ensuring that the external auditor has a yearly meeting with the Board of Directors in full to inform it of the work undertaken and developments in the Company's risk and accounting situations.
  - Establishing an appropriate relationship with the account auditor to receive information about

any issue that could jeopardise his or her independence, as well as any other correspondence stipulated in the corresponding legislation on accounts auditing and auditing standards.

- To issue a report expressing an opinion on the independence of the auditor once a year, prior to the issuance of the auditor's report.
- As regards the risk management and control policy:
  - Proposing to the Board of Directors a risk management and control policy.
  - Overseeing the operation of the Company's risk management and control unit.
- Reviewing the prospectuses or equivalent documents for issuance and/or admission of securities and any other financial reporting that the Company is required to submit to the markets and its supervisory bodies

### Structure

Below is a description of the structure of the Company's Audit Committee as of the date of this report, stating the position and category of each member.



### Calling and regularity of meetings

The Audit Committee meets as often as necessary and whenever its chairman considers it appropriate. In any case, the chairman of the Committee will call a meeting of the Audit Committee whenever the Board of Directors or its chairman requests the preparation of a report or the adoption of a proposal, or whenever it is requested by at least 2 members of the Audit Committee.

In 2020, the Audit Committee met on 10 occasions. All the meetings were presided over by the chairman.

### Sustainability and CSR issues addressed by the Audit Committee

The Gestamp Audit Committee is tasked with approving, monitoring, reviewing and ensuring compliance with the Group's policy on corporate social responsibility.

In this regard, in 2020 the Audit Committee reviewed the Group's Sustainability Report for 2019 and proposed its approval by the Board of Directors, issuing a positive report on the non-financial information contained in the management report for 2019.

Nomination and Compensation Committee

Functions

The Nomination and Compensation Committee is responsible for, among other matters:

- Assessing the competencies, skills and experience of the Board, describing the duties and required skills of the candidates to fill vacancies, and assessing the time and dedication required for them to perform the assigned tasks.
- Annually checking compliance with the director selection policy.
- Examining and arranging the procedure for replacing the chairman of the Board of Directors and, as the case may be, the Chief Executive Officer.
- Guiding the proposals for appointment and dismissal of Senior Management members that the chairman submits to the Board and the basic conditions of their contracts.
- Submitting proposals to the Board of Directors for the appointment, re-election or removal of independent directors
- Reporting on proposals for the appointment, re-election or removal of remaining directors.
- Guiding the Board on gender diversity issues, setting representation targets for the under-represented gender on the Board of Directors and creating guidelines for achieving such targets.
- Arranging and coordinating periodic assessments of the chairman of the Board of Directors and, in conjunction with such person, periodic assessments of the Board of Directors, its committees, chairman, secretary and the Chief Executive of the Company.

Functions relating to the remuneration of directors and senior managers:

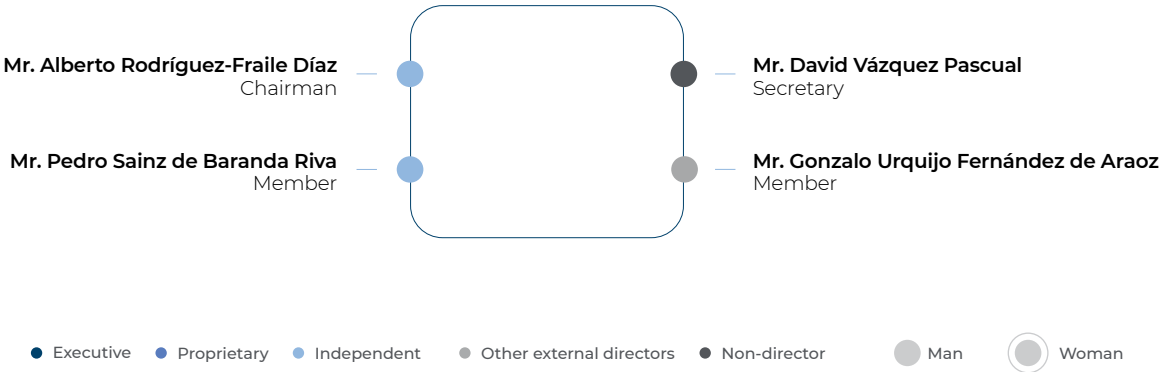
- Proposing to the Board of Directors the remuneration policy for directors and for the parties that carry out senior management duties and directly report to the Board, executive committees or managing directors, ensuring compliance with such policy.
- Proposing to the Board the individual remuneration for directors and approval of contracts concluded between the Company and directors who perform executive duties, ensuring that the terms therein are met.
- Proposing types of contracts for Senior Management to the Board of Directors.
- Ensuring compliance with the remuneration policy for directors approved in the General Meeting.

Other functions:

- The chairman of the Audit Committee shall inform the Board of Directors of the issues discussed and the resolutions adopted at meetings during the first Board of Directors’ meeting held after the Committee meeting.
- The Audit Committee shall submit, within three months after the financial year-end, a comprehensive report on its activities in said year to the Board of Directors for approval, which shall be made available to shareholders at the Annual Shareholders’ Meeting.

Structure

A description of the structure of the Company’s Nomination and Compensation Committee as of the date of this report is set out below, stating the position and category of each member.



Calling and regularity of meetings

The Nomination and Compensation Committee meets as often as necessary and whenever its chairman considers it appropriate. In any case, the chairman of the Committee will call a meeting of the Appointments and Remuneration Committee whenever the Board of Directors or its chairman requests the preparation of a report or the adoption of a proposal, or whenever it is requested by at least 2 members of the Committee.

In 2020, the Appointments and Remuneration Committee met on 7 occasions. All the meetings were presided over by the chairman.



Remuneration of the Board of Directors

The Remuneration Policy for Directors of the Company approved at the General Shareholders’ Meeting held on 25 June 2020 defines the following principles, which guide the remuneration of directors for holding such position:

- **Adequacy.** It must be sufficient to compensate the dedication, qualification and responsibility of the directors while at no time compromising their independence.
- **Competitiveness.** It must be able to attract and retain the talent of directors, while also being in line with the market criteria at companies of similar characteristics at a national and international level.
- **Dedication.** It must meet the dedication and responsibility of each director.
- **Reasonability.** It must be capable of reflecting the Company’s reality and that of the sector in which it operates, as well as the economic situation at any given time.
- **Transparency.** It must follow transparency criteria to guarantee the trust of investors and shareholders.

Remuneration of directors for undertaking their executive duties shall also be guided by the following principles contained in the Remuneration Policy:

- **Performance.** It shall include a variable component linked to the achievement of specific targets, aligned with the strategic objectives and the creation of value for the Group.
- **Sustainability.** It aligns part of the remuneration with sustained growth over time.
- **Equity.** Director remuneration for the performance of executive duties is proportional to the level of responsibility and experience.



REMUNERATION POLICY

As a result of the crisis caused by COVID-19 in 2020, the members of the Company’s Board of Directors and the Group’s executives decided to reduce their fixed remuneration as follows:

- For Director status: 15% reduction in the total remuneration (fixed remuneration) for the entire 2020 financial year.
- Executive Chairman of the Company: 50% reduction in the fixed remuneration for the entire 2020 financial year.
- Chief Executive Officer: A 15% reduction in the fixed remuneration over the duration of the crisis, effectively taking place between the months of May and October 2020, inclusive.
- Executives of the Company: A 15% reduction in the fixed remuneration over the duration of the crisis, effectively taking place between the months of May and October 2020, inclusive.

AVERAGE REMUNERATION OF DIRECTORS (THOUSANDS OF EUROS)\*

Member	Fixed	Subsistence allowance	Membership on Board Committees	Salaries	Short-Term Variable	Long-Term Variable	Severance payments	Other items	Total 2019	Total 2020
Mr. Francisco J. Riberas Mera	0	0	0	357	222	0	0	0	974	579
Mr. Francisco López Peña	0	0	0	519	185	0	0	20	793	724
Mr. Alberto Rodríguez Fraile Díaz	68	0	26	0	0	0	0	0	110	94
Mr. Ana García Fau	68	0	13	0	0	0	0	0	95	81
Mr. César Cemuda Rego	68	0	0	0	0	0	0	0	80	68
Mr. Pedro Sainz de Baranda	68	0	13	0	0	0	0	0	95	81
Mr. Javier Rodríguez Pellitero	68	0	26	0	0	0	0	0	110	94
Mr. Concepción Rivero Bermejo	68	0	0	0	0	0	0	0	34	68
Mr. Gonzalo Urquijo Fernández de Araoz	68	0	13	0	0	0	0	0	95	81
Mr. Norimichi Hatayama	51	0	0	0	0	0	0	0	0	51
Mr. Juan María Riberas Mera	68	0	13	0	0	0	0	0	95	81
Mr. Tomofumi Osaki	51	0	0	0	0	0	0	0	20	51
Mr. Shinichi Hori	20	0	0	0	0	0	0	0	80	20
Mr. Katusutoshi Yokoi	20	0	0	0	0	0	0	0	59	20
Total	686	0	102	876	406	0	0	20	2,641	2,090

(\*) Other items are remuneration in kind: life and company car insurance premiums

The remuneration paid to each Gestamp director is also published in:



THE DIRECTORS’ REMUNERATION REPORT AND ANNUAL CORPORATE GOVERNANCE REPORT, SECTION C.1.13

Management Committee

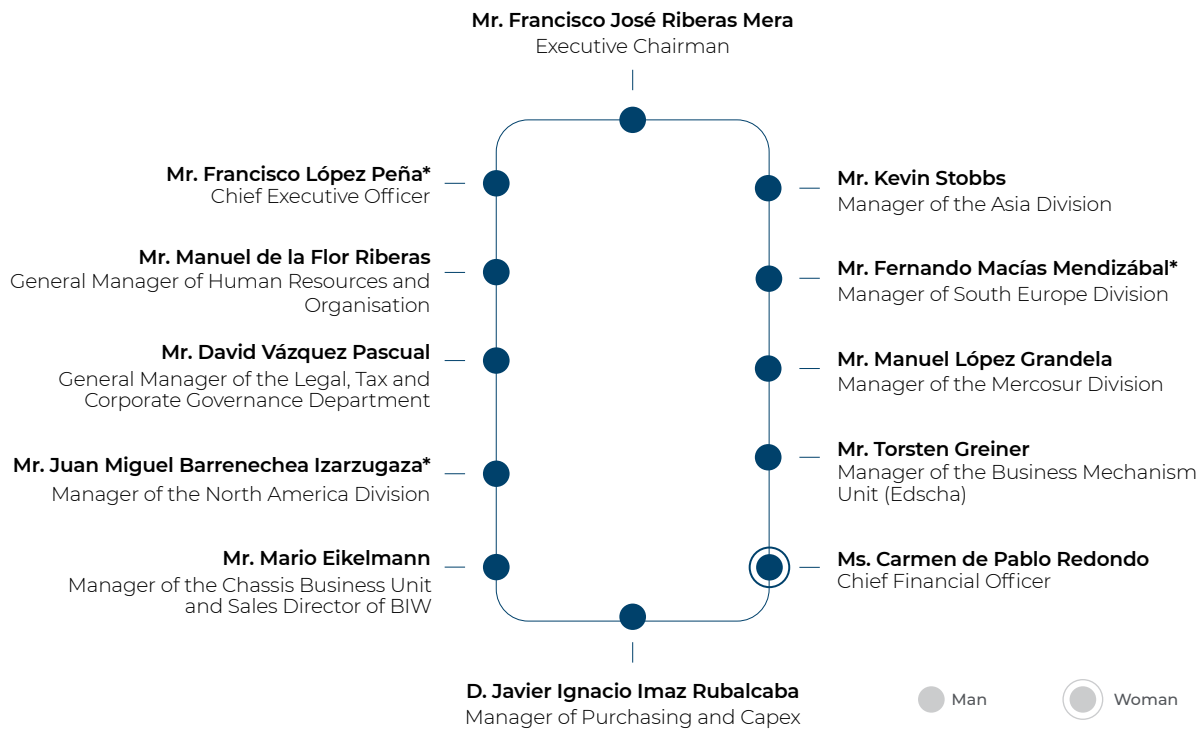
The Management Committee is responsible for the strategic organisation of the Group by disseminating, implementing and monitoring the business strategy and guidelines.

We have a Management Committee comprised of members of Senior Management and Executive Directors of the Company, Mr. Francisco José Riberas Mera and Mr. Francisco López Peña. From an organisation standpoint, the Management Committee performs its functions in accordance with the different geographical markets and operating segments where the Company operates.

The Management Committee has extensive experience in the automotive industry, which is paramount to the success of our business. In fact, many members have been working in our Group for over 10 years. The Management Committee is chaired by Mr. Francisco José Riberas Mera. The following table contains the name and position of each member of the Management Committee.

Structure of the Management Committee

A description of the structure of the Company's Management Committee at 31 December 2020 is set out below, stating the position held by each member.



\* As of 1 January 2021  
Mr Francisco López Peña will resign from his position at Chief Executive Officer and act as Senior Advisor.  
Mr Juan Miguel Barrenechea Izarzugaza will also hold the position of Director of Sales.  
Mr Fernando Macías Mendizábal will also hold the position of Director of Operations.

Remuneration of the Management Committee (thousands of euros)

Member	Position
Mr. Fernando Macias Mendizábal	Manager of South Europe Division
Mr. Manuel López Grandela	Manager of the Mercosur Division
Mr. Juan Miguel Barrenechea Izar-zugaza	Manager of the North America Division
Mr. Kevin Stobbs	Manager of the Asia Division
Mr. Torsten Greiner	Manager of the Business Mechanism Unit (Edscha)
Mr. Manuel de la Flor Riberas	General Manager of Human Resources and Organisation
Mr. David Vázquez Pascual	General Manager of the Legal, Tax and Corporate Governance Department
Mr. Mario Eikermann	Manager of the Chassis Business Unit and Sales Director of BIW
Ms Carmen de Pablo Redondo	Chief Financial Officer
Mr Javier Ignacio Imaz Rubalcaba	Manager of Purchasing and Capex
4,256	

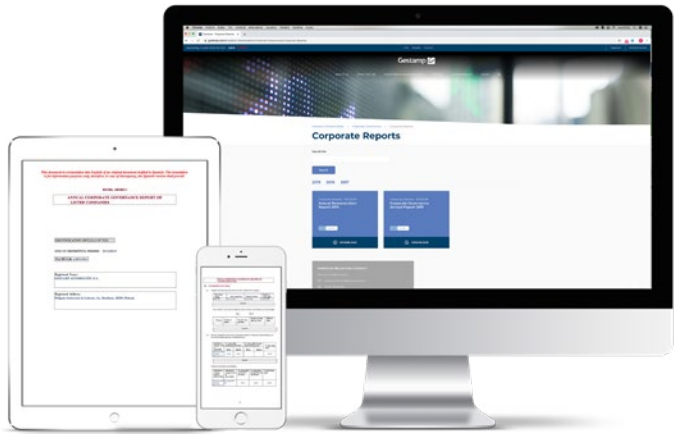


THE REMUNERATION OF GESTAMP'S MANAGEMENT COMMITTEE IS PUBLISHED IN THE ANNUAL CORPORATE GOVERNANCE REPORT SECTION C1.14.

Annual Corporate Governance Report

At its meeting held on 24 February 2021, the Board of Directors approved the Company's Annual Corporate Governance Report for the 2020 financial year. In relation to the 56 Recommendations in the Good

Governance Code for Listed Companies that are applicable to the Company, said report shows that 52 of these Recommendations are met, 3 are partially met and just one is not met.



FOR MORE INFORMATION, PLEASE SEE THE GESTAMP 2020 CORPORATE GOVERNANCE ANNUAL REPORT PUBLISHED ON THE GESTAMP AND CNMV WEBSITES.



# Risk management

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## Our approach

Risk management is one of the essential elements that have always formed an integral part of our philosophy and culture. In order to address the risks and uncertainties inherent to the business conducted by Gestamp in the different countries in which we operate, the Group has a Risk Management Policy and a Comprehensive Risk Management System (henceforth, CRMS) in place.

The CRMS enables us to **identify, assess and respond to eventual contingences** that could affect the achievement of the Group's objectives, if they are materialized

## Comprehensive Risk Management System

Gestamp's CRMS is based on the best corporate risk management practices set out in the ISO 31000 standard and the COSO (Committee of Sponsoring Organizations of the Treadway Commission) reference framework for Risk Management (known as COSO ERM).

We have also taken into consideration the good practices mentioned in the Good Governance Code of listed companies and the Technical Guide 3/2017 on Audit Committees of Public Interest Entities.

The CRMS Policy approved by the Board of Directors establishes:

- the different risk categories (operational, strategic, financial, compliance and reporting),
- the basic principles and guidelines for action to be observed in the control and management of risks,

- the bodies responsible for ensuring the proper functioning of the internal risk control and management systems, together with their roles and responsibilities,

- the level of risk considered acceptable

Although the Comprehensive Risk Management System is a process that affects and involves all the Group's personnel, those entrusted with safeguarding its smooth operation and its main functions are the following:

- the risk owners responsible for identifying, assessing and monitoring risks that jeopardise the achievement of their goals.
- the Risk Committees, which ensure that risks are kept at an acceptable level, reporting to the Audit Committee.

- the Board of Directors and Audit Committee, in their duties of monitoring and overseeing the CRMS.
- the Internal Audit and Risk Management Department, which supports the Audit Committee and coordinates the risk identification and assessment processes, as well as the Risk Committees.

Each year the following activities are conducted:

- review and approval of the risk assessment scales (impact, likelihood of occurrence and effectiveness of controls),
- update of the Corporate Risk Map from a residual perspective (i.e., considering the controls that Gestamp has already implemented to mitigate the possible effects of these risks), and
- monitoring of the indicators defined for measuring the risks themselves.

The CRMS, along with the risk control and management policies and systems at Gestamp that implement it, enable effective, anticipatory action to be taken on the risks and, where necessary, the relevant action plans to be drawn up.

In this regard, two risk mitigation and response levels can be determined: global elements or activities that are part of the corporate risk management policy and other individual ones for each specific risk.

- The **overall management actions** and elements include the Group's Code of Conduct, the work done by the Ethics Committee (which answers to the Board of Directors, ensuring compliance with the Code of Conduct), the complaint channels, and other mechanisms defined on the CRMS Policy.



- **In terms of individual risk**, the Group has response, management and oversight plans in place that match the characteristics of each specific risk. These plans are implemented at operational level and constantly function on a daily basis. They are integrated into the Group's systems and processes, thus ensuring that the operational activities performed are consistent with the Group's targets and objectives.

For this reason, the Group currently has various organisational units and departments that analyse, continuously monitor and provide a response in various areas specialised in risk management. These units and departments form part of the Group's CRMS and are represented on the Risk Committees.

## Main risks

The main risks that the Group faced in 2020 were not substantially different from those of previous years; however, the following risks became more relevant as a result of the circumstances at present: the risk to people's health and safety, the risk of computer application security and cybersecurity, risks of client supply chain disruption, financial risks and risks related to uncertainty about forecasts of vehicle sales volumes and the necessary progress to be made in the field of Industry 4.0.

The outbreak of COVID-19 in 2020 has generated not only a health crisis but also an economic crisis, leading the Group to implement a comprehensive contingency plan aimed at ensuring the feasibility of the Gestamp project in the long term.

The risks to which the Group is exposed as a result of its activities or the sector or setting in which it operates, which could impair the accomplishment of the Group's objectives, are listed below. These are grouped according to the risk categories defined in the CRMS Policy (operational, strategic, financial, compliance and reporting):

### Risk Tipology

Operational



Strategic



Financial



Compliance



Reporting



During the first months of 2020, the public health emergency situation caused by COVID-19 was declared, initially in China and later, and progressively, in the rest of the world, leading to the governments of different countries in which the Group operates to take measures to protect the health and safety of citizens and slow the progression of the disease

Throughout the year, the Group has carried out continuous monitoring of the situation and has taken all necessary measures with a focus on protecting our people, contributing to society, serving our customers and the continuity of the business.



### Risks to people's health and safety

To monitor these situations of risk, which may potentially result in serious occupational accidents or illnesses, Gestamp has a Health and Safety Policy and a Comprehensive Prevention System that is applicable to all of the Group's plants, regardless of their geographical location.

In response to the COVID-19 pandemic, the Group has implemented a protocol containing strict pre-

ventative measures and a guide on how to act at all times, both at plants and in offices, in order to protect our employees and their families by preventing the spread of the virus.

The main objective of this protocol, which was implemented at all the Group's plants and offices, was to protect the health and safety of our partners and their families while also ensuring business continuity.



### Becoming a source of disruption in the clients' supply chain

In order to mitigate this risk, Gestamp acts in response to the various factors that could cause such interruptions. Among other activities, purchasing strategies are developed, geared towards avoiding single supplier situations, supplier services are monitored and regular quality control checks are conducted; a Health and Safety Policy and a Comprehensive Prevention System are in place; highly proactive efforts are made to ensure that our security is robust, safeguarding the company's assets and systems from potential cyberattacks; machinery load and capacity studies and facility maintenance are conducted regularly, ensuring that the facilities meet local construction requirements and recommendations in terms of prevention.

The Group reacted quickly to an unprecedented disruption in the market due to COVID-19. Thus, the

initial experience in China, where the Group operates, provided useful lessons from a human health and safety perspective and also in terms of operations for the other production units around the world. In this sense, a common plant start-up program was elaborated after the activity shutdown based on the Asian experience and, at a later stage, an action plan in the event of resurgence. Regarding purchases, the impact of Covid-19 has resulted in the need to manage a sudden stop and start of the supply chain having managed to mitigate tensions in supplies of certain products, mainly raw materials.

The Group has developed a greater monitoring of the supply chain, which has made it possible to ensure supplies throughout the year, without impact on prices or costs and ensuring the volumes that have been needed at all times.



### Incidents related to the quality of Gestamp's products

Gestamp has several control processes, relating both to the product and the production process, which aim to prevent non-compliant products from being sent to clients. Also, for this purpose, Gestamp has a quality management system that helps to make a proper use of the products and to act as quickly and effectively as possible.

These quality management systems help us to continuously improve and focus on the client, promoting prevention over detection, with the consequent reduction of defects and waste in the supply chain, in a safe and sustainable manner. Likewise, Gestamp has a procedure for sharing the best practices across the entire Group, thus ensuring continual improvement and updates in the quality management systems.



### Deviations in project profitability

Gestamp has multiple types of control measures around the project management, such as, the development of a standard for project launches, the holding of executive and/or monitoring committees

for key projects, and various indicators that allow the analysis and monitoring of projects in each of their phases.



Operational



Strategic



Financial



Compliance



Reporting



Operational



Strategic



Financial



Compliance



Reporting



Difficulty in hiring or retaining key personnel, both managers in strategic positions and highly qualified personnel

Managing the transformation process initiated by Gestamp, with the aim of increasing the Group's operating efficiency and adapting it to the new macroeconomic and automotive sector scenario of the coming years, requires the consolidation and development of its best asset, people.

For this propose, Gestamp has different processes and initiatives aimed at talent management by identifying key people and people with great potential; the number of vacancies and potential candidates are regularly analyzed and, finally, the replacement plans considered to be necessary are drawn up.



Security of computer applications and cyberattacks

The Group works very proactively to continuously improve the perimeter computer security of the network and of the industrial assets in the plants, as well as in the security of the Group's communications and applications in order to have robust control mechanisms that adequately protect its assets from potential cyberattacks.

During 2020 and due to Covid-19, the Business Continuity Plan was successfully activated, to ensure connectivity and remote access security for all employees who had to access massively from outside of the corporate network.



Uncertainty about vehicle sales volume forecasts

Due to the growing needs for flexibility in an environment of disruptive changes and uncertainties regarding vehicle sales volume forecasts, Gestamp continues to develop various projects aimed at ea-

sing production and absorbing associated costs. These projects relate to digitization and Industry 4.0 initiatives, as well as other initiatives being developed in the field of Advanced Engineering.



Concentrating the business on a specific number of clients

The automotive sector is highly concentrated on a specific number of great groups of clients. As regards this type of risk, Gestamp performs detailed monito-

ring of orders and sales, seeking to diversify as much as possible the client and product portfolios.



Environmental risks and climate change

As an integral part of the automotive sector, Gestamp considers that environmental impact must be analysed from the perspective of a vehicle's life-cycle beyond the direct impact generated purely in the manufacturing process. As such, one of the Group's policies regards implementing an environmental management system and the ISO 14001 and/or EMAS, and investing in projects and the investigation of new materials and technologies related to reducing CO<sub>2</sub> emissions.

During 2020, the Group has committed with the fight against climate change and has obtained the approval of the emission reduction targets by the Science Based Targets Initiative (SBTI). The reduction of emissions will be based on the use of clean energy, energy efficiency projects and digitization.



Technological change and innovation

Using the appropriate technology, materials and processes is fundamental for us to hold onto our competitive advantage and offer clients products that meet their needs. Gestamp has undertaken

a number of activities in this regard, such as participating in co-development with clients, holding Executive R&D Committee meetings and fostering digitalisation and Industry 4.0 initiatives.



Political and economic instability in the different countries where Gestamp operates

Gestamp monitors the geopolitical situation (analysing the political, economic and social context in the countries in which the Group operates) in order to

incorporate the effects of potential instability into the Group's forecasts and into its strategic and operational decisions.

Operational



Strategic



Financial



Compliance



Reporting



Operational



Strategic



Financial



Compliance



Reporting



**Risks associated with fluctuations in the financial markets, mainly exchange rates, interest rates and commodities**

The Group is exposed to diverse financial risks such as credit or liquidity risk, market risks (including exchange and interest risks and risks in the prices of raw materials), and other specific risks deriving from its detailed financing structure. To summarise, the Group has taken the following measures, among others, to manage the main risks of this nature:

- use of derivative financial instruments to hedge both exchange and interest rates risks,
- in reference to interest rates, it also seeks to strike a balance between security and the level of finance costs and the adaptation to the economic cycle by combining fixed and floating rates for its debt, and

- as regards fluctuations in raw materials prices, most of the steel is purchased under “re-sale” agreements with clients, meaning that the automobile manufacturers regularly negotiate with the steel industry to reach the price at which the Group purchases the steel that is then used in the production of automotive components. With other clients, the prices of the Group’s products are adjusted based on variations in the steel prices they have agreed to with the steel industry, or in line with public rates or possible negotiations initiated by the parties.



**Compliance risks associated with the various legislative and regulatory provisions to which the Group is subject, as well as any potential amendments thereto**

In order to mitigate the probability of these risks materialising and to reduce their potential impact, some of the actions taken at Gestamp include constant monitoring of any changes in regulations that could affect Gestamp and the course of its business

in order to promote prompt, conscious and responsible compliance, and to anticipate possible changes, seeking to manage them appropriately. The Group also has a Crime Prevention Manual, which has been approved by the Board of Directors.

Operational



Strategic



Financial



Compliance



Reporting



**Risks associated with mandatory public reporting processes**

The Group has developed an ICFRS Policy, approved by the Board of Directors, in which the managerial responsibilities and the general outline of each component of the ICFRS are assigned (control environment, risk assessment, control activities, reporting and communication and monitoring). In addition, the Group continues developing and updating the documentation and assessing the ICFRS with a spirit of continuous improvement, with the support of a tool developed internally in 2019.

The Group also has diverse channels of communication for employee complaints regarding irregularities of any kind, including those that could affect the reliability of the financial and no financial information.



# Ethics and Regulatory Compliance

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Ethics and integrity are fundamental pillars of the Gestamp business model. The Group and its employees' decisions and actions contribute to building and maintaining its reputation and impact the confidence that stakeholders have in the Group. For this reason, Gestamp has a commitment to integrity and transparency in the development of its business.

## Code of Conduct

At Gestamp we have had a Code of Conduct since 2011. This Code is the common reference framework for the ethical and respectful behaviour of the members of the governing bodies and employees contractually linked with the Group companies or with any of the subsidiaries in which our parent company holds, directly or indirectly, the condition of majority partner.

It contains the Rules of Conduct based on the Corporate Principles and on the Ten Principles of the UN Global Compact relating to human rights, labour standards, environmental standards and the fight against corruption.

On 7 May 2018, the Board of Directors of Gestamp Automoción, S.A. approved the current version of the C

ode of Conduct in order to adapt and update its content to meet the requirements arising from the new listed company status of the Group's parent company.

The Code of Conduct is available on the Group's website, where it can be downloaded by users in any of the 18 languages spoken in the Group.



We have a **Code of Conduct** since 2011 and its last update was made in 2018

## Training

Regarding training, all Group employees and members of the governing bodies must have completed at least once the introduction course on the Code of Conduct. It also forms part of the induction plan for new employees, at which they are given the document and asked to adhere to it. The Code of Conduct training can be carried out in the following ways:



**Online training**  
Through the Gestamp Corporate University.



**Face-to-face training**  
For cases where the employee does not have access to an electronic device that allows them to carry out said online training.

## External audits

At Gestamp we have a rotating plan of audits conducted by an independent firm to verify the degree of implementation and knowledge of the Code of Conduct by employees.

Due to the COVID-19 restrictions in 2020, we have been unable to conduct the audits because access to the Group's facilities was prohibited for external parties. We are currently looking for a way to carry out audits, while also guaranteeing the safety of employees and ensuring they are that not influenced/delayed by the current restrictions. In previous years, audits were conducted at all our work sites in Germany, Argentina, Brazil, China, the United States, France, India, Mexico, Portugal, the United Kingdom and Russia.

Specific improvements are identified through the external audits. Measures and action plans are carried out to resolve particular aspects and to improve the application and knowledge of the Code of Conduct and the communication channels.

Taking the Code of Conduct as reference, over the years we have developed specific internal regulations to ensure better compliance with the Code and other regulations that apply to it.

# Respect for Human Rights

For a global group like Gestamp, with an intensive workforce, it is relevant and strategic to respect Human Rights as universal rules of conduct that must be applied to all companies through which it operates in the market.



## MAIN INTERNATIONAL INITIATIVES

- The International Bill of Human Rights.
- ILO Declaration on Fundamental Principles and Rights at Work.
- Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy.
- The Guiding Principles on Business and Human Rights of the United Nations.
- The OECD Guidelines for Multinational Enterprises.
- The Ten Principles of the UN Global Compact.

At Gestamp we consider that respect for Human Rights is fundamental and, therefore, these are largely reflected in our Code of Conduct, the fundamental axis of our commitment to integrity. We are also aligned with the main international initiatives in this area, such as:

At Gestamp we have a Human Rights Policy that was approved by the Board of Directors on 16 December 2019 and is intended to establish the general parameters of action that should govern daily activity and convey the will of the Group to comply with international best practices in safeguarding Human Rights.

Moreover, with the aim of extending this respect for human rights to the supply chain, Gestamp has Corporate Social Responsibility Requirements for its suppliers, which include, among other matters, labour and human rights, and business ethics. The document is available on the website and on the Supplier Portal. It is mandatory to accept these requirements to be a Gestamp supplier and is included in the Group's General Procurement Conditions.

During 2021-22, Gestamp will conduct an assessment on Human Rights in all its work centres around the world for the purpose of updating the key human rights issues, classifying them by relevance, criticality, likelihood of compliance and the capacity to manage them. This assessment will mirror the one conducted in 2018 that was used to draw up the Human Rights Policy.

## FUNDAMENTAL PRINCIPLES CONTAINED IN THE POLICY



### Labour principles

1	Fair working conditions
2	Equality and non-discrimination
3	Decent employee treatment
4	Eradication of forced labour and other forms of modern slavery
5	Condemnation of child labour
6	Health and safety in the workplace
7	Freedom of association and the right to collective bargaining



### Matters relating to the work environment

1	Freedom of expression and opinion of employees
2	Foster local employment
3	Physical safety of employees in complicated contexts
4	Decent work and rights regarding migrants

# Crime prevention

Gestamp's Crime Prevention Model aims to analyse and assess the risks arising from the potential perpetration of crimes within the Group, as well as identify the controls, already implemented or to be implemented, that are necessary to prevent, mitigate or detect criminal risks. Said Crime Prevention Model and its corresponding Criminal Risk Map and Crime Prevention Manual are reviewed and updated periodically.

On 16 December 2019, the Gestamp Board of Directors approved, on a proposal from the Audit Committee, the current version of the Criminal Risk Map and the Crime Prevention Manual that are part of the Prevention Model and that include a catalogue of 21 crimes identified for which the impact, the probability, the resulting risk and the effectiveness of the controls have been assessed. Likewise, the controls implemented or to be implemented in the Group have been identified for their effective prevention and detection.

# Corruption, fraud and bribery prevention

Corruption, fraud and bribery are prevalent in today's society. These illegal activities stunt economic and social development, weaken the Rule of Law and, from a business perspective, are detrimental to the market and corporate reputation.

Corruption, fraud and bribery are part of the catalogue of crimes included in the Group's Crime Prevention Manual.

On 17 December 2018, the Gestamp Board of Directors approved the Anti-Corruption and Fraud Policy, which develops more specifically the internal regulations regarding corruption, fraud and bribery already established in the Code of Conduct. The Policy is applicable to directors, managers and employees who are contractually bound to the Group's companies, as well as any third parties that liaise with the Group.

The aim of this Policy is to send a strong and clear message of opposition to all forms of corruption, fraud and bribery and to explicitly state our commitment to avoiding said conduct within the organisation.

To this end, it establishes certain guidelines for action and the rules applicable to the performance of any business-related activity conducted within the Group in relation to.

The Group is also aligned with the main international references on corporate responsibility and anti-corruption, including the tenth principal of the UN Global Compact, the recommendations of the Organisation for Economic Co-operation and Development (OECD), the US Foreign Corrupt Practices Act and the UK Bribery Act, among others.



## GENERAL GUIDELINES FOR ACTION AND THE RULES APPLICABLE TO

- Corruption
- Fraud and bribery
- Gifts and tokens of appreciation
- Donations or aid



## Intellectual and Industrial Property

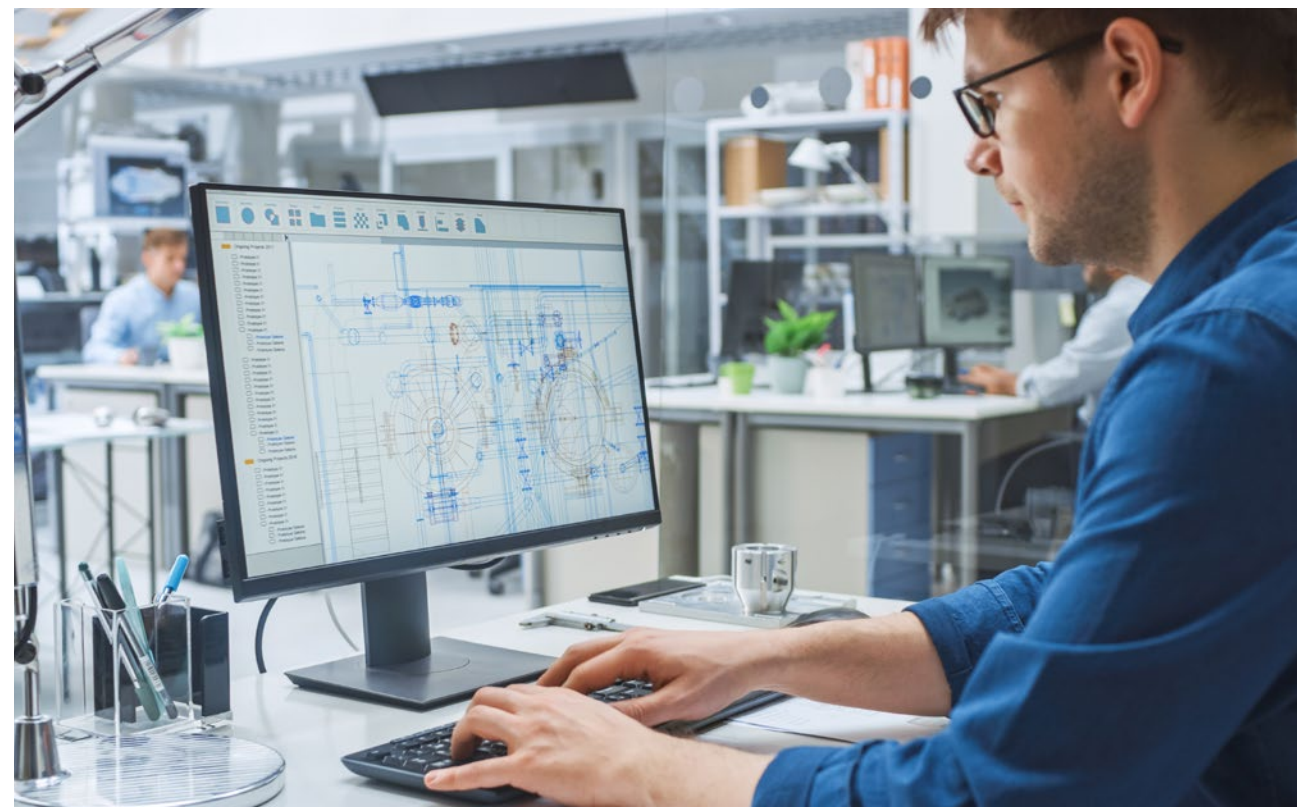
We believe that our intellectual and industrial property rights and the implementation of the related trade secrets and know-how are a component of the competitive advantage of our business. Therefore, we devote our efforts and invest resources in submitting, registering, maintaining, monitoring and defending our intellectual and industrial property rights.

These intellectual and industrial property rights cover both the technologies, processes and products encompassed in Gestamp's core business and any technologies aimed at optimising and increasing the flexibility and efficiency of the processes and the quality of the products in the area of Industry 4.0.

Many of the technologies and processes that we use are the result of our scientific and technical personnel's knowledge, experience and skills. In some cases,

these technologies and processes cannot be patented or protected through intellectual and industrial property rights. To protect our trade secrets, know-how, technologies and processes, we formalise confidentiality agreements with our employees, clients, suppliers, competitors, contractors, consultants, advisors and collaborators that prevent confidential information from being disclosed to third parties.

When we formalise development agreements, we hold onto our pre-existing intellectual and industrial property rights and we do not transfer them to our collaboration partners, clients, suppliers, competitors or third parties. We claim ownership of any intellectual and industrial property rights that may arise during the course of said agreements and that relate to or are based on our know-how, trade secrets, technology and processes.



## Personal Data Protection

At Gestamp we are committed to the protection of personal data.

For this reason, within the Group we are constantly adapting and strengthening our resources to comply with the personal data protection legislation in force in the regions where Gestamp operates and/or carries out personal data processing activities.

In this regard, Gestamp has a Data Protection Policy in place that complies with General Data Protection Regulation (EU) 2016/679 of the European Parliament and of the Council, of 27 April 2016 (GDPR), which sets out guarantees and principles, as well as the main obligations and rights in terms of personal data protection at Gestamp Group companies. This Data Protection Policy is the key element of the Gestamp Group's commitment to the protection of the fundamental rights and freedoms of natural persons and, in particular, their right to personal data protection.

At Gestamp we continually strive to implement any and all mechanisms that are required in order to ensure that personal data remain secure and to prevent tampering, loss, or unauthorised processing or access, even in regions that are beyond the scope of appli-

cation of this GDPR, by adapting the Data Protection Policy to local laws. In this way, we apply Gestamp Group standards across all the territories in which we operate, are present and/or conduct personal data processing activities. In many regions, since these standards are based on the GDPR, they are more stringent than the national regulations.

Moreover, the Group has conducted a risk assessment of the corporate applications that process personal data, to evaluate the security measures implemented, and it has developed a procedure for the execution of privacy impact assessments (PIA) that determines the level of risk entailed whenever data are processed with a view to establishing the most appropriate control measures to limit this risk.

At Gestamp, we also know that the training of our employees is crucial to the success of any new project. Therefore, to ensure compliance with and implementation of the GDPR, the Group has offered face-to-face training sessions for certain corporate services employees who regularly work with personal data, thus providing them with theoretical and practical information about how to apply the GDPR. In addition, there is an online data protection training course available to employees free of charge and accessible at any time.

## Internal Code of Conduct with regard to the Securities Markets

The Internal Code of Conduct with regard to the Securities Markets determines the standards of conduct and performance to be followed by those to whom they are addressed, including, but not limited to, the members of the Board of Directors, senior management, employees or external advisors who have access to insider information belonging

to Gestamp, as well as those involved in handling, using and disseminating insider information, all for the purpose of fostering transparency, protecting the interests of investors with regard to Gestamp securities and avoiding any situation that potentially qualifies as market abuse.

## Conflicts of interest

Our directors are required to inform the Board of Directors of any circumstances that may lead to a **direct or indirect conflict of interest**

To avoid possible conflicts of interest, in addition to the Code of Conduct, which applies to employees and people related to them, Article 22 of our Board Regulations stipulates that our directors are required to inform the Board of Directors of any circumstances that may lead to a direct or indirect conflict of interest as soon as they become aware of such circumstance.

In any event, each member of the Board of Directors must abstain from attending and participating in deliberations and votes (including by means of proxy vote) concerning matters in which they or a related party, as defined in the applicable law, have a direct or indirect conflict of interest.

Additionally, directors should abstain from engaging in commercial or professional transactions that may lead to a conflict of interest, without having first informed and received approval from the Board of Directors, which shall request a report from the Audit Committee.

## Compliance in terms of competition

Gestamp has not been involved in any legal proceedings in **the last 5 years nor have any fines been imposed for anti-competitive practices**

Our Code of Conduct establishes measures aimed at avoiding any conduct that could illegally restrict free competition in the markets in the Gestamp operates. In this regard, our Code of Conduct forbids engaging in secret agreements on prices or terms of sale with competitors, secret agreements on waiving competition, the submission of sham bids, and client sharing or other market segmentation criteria.

Furthermore, our Crime Prevention Model stipulates the analysis, identification and regular assessment of risks linked to the perpetration of offences related to conduct that restricts free competition, as well as a definition of effective controls for the prevention and minimisation of the possibility of committing such crimes.

Gestamp has not been involved in any legal proceedings in the last 5 years nor have any fines been imposed for anti-competitive practices.





## Cybersecurity

Gestamp's cybersecurity governance programme is based on the need to protect and safeguard the supply chain and business continuity processes.

### Management model

The policies and strategy for cybersecurity at the company are set out by the IT department in cooperation with the company's business units, so that the programme is aligned with the business objectives.

Gestamp relies on:

- The **collaboration of certain companies** and suppliers that support us in developing our strategy, evolving as a team in our regulatory compliance processes and policies, which, in conjunction with technological solutions tailored to our needs, guarantee an effective response to cybersecurity incidents and control over the risk of threats.
- **A constantly evolving body of standards and best practices aligned with international regulations and organisations**, focusing primarily on asset control, exposure of corporate networks outside the perimeter, data protection and industrial system control, which is consistently aligned with the company's objectives and its business continuity processes.
- **Regular cybersecurity incident response drills**, audits and tests of exposure to the threats to which the most critical processes within the business are prone in relation to our technology, processes and organisational model, to ensure they are in line with the company's requirements.

### Strategy and action plan

The new demands of connected industry and digitalisation of production chains prompt a range of new needs in relation to cybersecurity processes and the organisational model. Gestamp has a **Cybersecurity Master Plan** based on risk management through implementation of international regulations and the MITRE ATT&CK methodology for responding to threats, which includes initiatives and projects, prioritising the ones that pose the greatest risk to the business.

Gestamp's short-term goal is to create a defined, documented strategy, fostering resilience processes with monitoring and a 24/7 incident response plan. The various initiatives are supported by specially trained teams, tools and processes for physical and logical security and they are implemented at all the plants worldwide.

### Certificates

At Gestamp, our operational model and business continuity processes have been **certified** by the IATF, while our plants hold the TISAX / VDA ISA certificates required for operation in the automotive industry. Likewise, our partnerships with critical suppliers require certifications such as ISO 27001 to guide Gestamp in its cybersecurity needs.

### Actions in 2020

In 2020, serious challenges arose in terms of cybersecurity due to the pandemic and the global macro-economic situation, and new mobility needs to enable business continuity prompted new initiatives that were implemented throughout the year. The most relevant ones are the following:

- The progress seen in resilience in response to cybersecurity incidents and threats.
- Adaptation of cybersecurity policies, best practices and workstation control for remote work.
- User awareness programmes in relation to the new threats.
- Adapting the different cybersecurity environments to the new requirements.
- Continuity in the cybersecurity governance processes.
- Evolution of the monitoring systems and 24/7 response to incidents at our cybersecurity control centre.

### Training and awareness

Users are an essential, but also likely the weakest, link in a company's cybersecurity programmes; for this reason, Gestamp has a cybersecurity awareness programme for users worldwide, available in a number of languages, to reach all its plants and offices. In turn, this programme is subject to regular assessments involving exercises to measure the degree of awareness in cybersecurity, adapting the campaigns carried out at the company so as to continue progressing with our business goals.

### Audits

Gestamp has a DPO committee that launches diverse internal and external audits. The company is certified according to IATF, VDA ISA and TISAX, among others, to operate in the sector. In addition to these processes, audits related to the GDPR are also conducted at all our plants to verify the different processes linked to data protection, cybersecurity and business continuity.

Gestamp has also implemented audit programmes for cybersecurity and penetration testing, thus guiding our processes and policies within today's ecosystem of cyber-threats.



## Bodies involved in the Code of Conduct and regulatory compliance

At Gestamp we have the following bodies that, among other functions, ensure compliance with internal regulations and legislation applicable to the Group and are involved in the supervision and control of our Code of Conduct and our Crime Prevention Model:

### Board of Directors

The Board of Directors, as the maximum supervisory, management and control body of the Company, has, among others, the function of approving the Code of Conduct and other general policies related to it, as well as supervising the proper functioning of the Compliance Model with due diligence and effectiveness.

### Audit Committee

The Board of Directors has delegated the following functions related to ethics and integrity to the Audit Committee:

- Guaranteeing compliance with the Group's Code of Conduct.
- Supervise the Group's complaints channel.
- Review and propose for approval the Prevention Model and the Crime Prevention Manual to the Board of Directors.

### Ethics Committee

The Ethics Committee is a collegiate body with initiative and control powers. Its activities are supervised by the Audit Committee and consist mainly in:

- Promoting distribution of and knowledge about the Code of Conduct and enforcing the rules and prevention mechanisms in place.
- Establishing and developing any procedures required to accurately and fully comply with the Code of Conduct, and proposing specific measures for prevention and detection of breaches.
- Drawing up an annual report on compliance with and development of the Code of Conduct, which is to be submitted to the Board of Directors and the Audit Committee.
- Seeking reparation and assistance to anyone who may be affected by any irregular activities performed within the company, especially irregularities that have criminal consequences.
- Promoting the creation of a risk map of serious breaches of the Code of Conduct.

### Compliance Office

The Compliance Office reports to the Ethics Committee. Its functions include receiving, directing, monitoring, suitably informing and documenting:

- Any doubts, issues, enquiries and improvements proposed by employees in relation to the content of the Code of Conduct and of any document or implementing regulation.
- Any reports of employees or third parties relating to procedures which could potentially amount to violations of the Code of Conduct or that may be unlawful.

### The Regulatory Compliance Unit

The Regulatory Compliance Unit reports to the Ethics Committee and is responsible for guaranteeing compliance with any internal and external regulations applicable to the Group. Its functions include, but are not limited to, the following:

- Devising the Prevention Protocol under the supervision of the Board of Directors and its Audit Committee.

- Producing and regularly reviewing the Prevention Protocol in accordance with any legislative amendments or any changes affecting the day-to-day activities of the Group.
- Establishing the primary policies, procedures, controls and internal regulations to be implemented within the Group relating to regulatory compliance.
- Monitoring the operation, effectiveness and compliance of the Prevention Model.
- Regularly informing the Audit Committee and, if applicable, the Board of Directors of (i) the risk areas which may affect the Group, (ii) the results of assessments and monitoring of the Prevention Protocol, (iii) the measures implemented to control and mitigate criminal risks.
- Working alongside the Compliance Office to investigate any reports filed via the authorised channels which may incur the criminal liability of the legal person.
- Guaranteeing compliance with legal and regulatory obligations regarding the use and disclosure of privileged information.



## Complaint channels

In order to respond to communications in relation to possible breaches of the Code of Conduct and other internal regulations or legislation applicable to the Group as well as in relation to suggestions, queries or doubts, the Group has a complaints channel with the following communication channels in which the confidentiality of the process and the rights of the people who communicate in good faith and of the people denounced are guaranteed.

The reports are analysed and investigated as quickly as possible, applying the principles of confidentiality, non-retaliation and protection of personal data to all those involved in the investigation process, with a focus on the whistle blower and accused party. If an infringement is proven, the corresponding sanction shall be imposed by the competent internal bodies. The Group is committed to collaborating and cooperating with the authorities and judicial and administrative bodies in relation to the investigation of alleged criminal acts that may be committed within the Group.

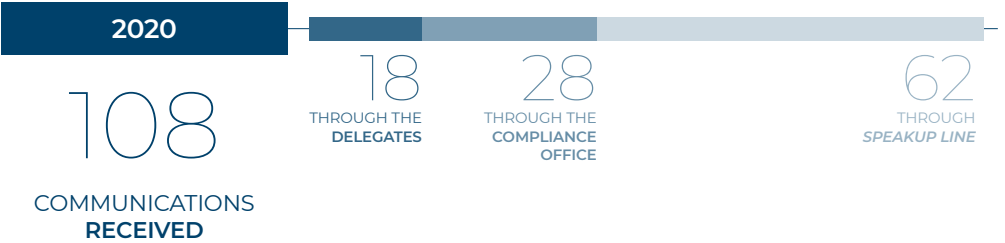
- Human Resources Managers (Delegates). There is the possibility of reporting through the Delegates, who report the submitted complaints to the Compliance Office.

- Compliance Office mailbox. Corporate email address managed directly by the Compliance Office.



- SpeakUp Line. A complaints channel managed by an external company has been available since December 2016. Such communication may take place via telephone, web form or email. It is available at all times in all the languages of the Group. Communications are managed through the Compliance Office.

In 2020, 108 communications were received through the different channels. All the communications regarded non-compliances with the Gestamp Code of Conduct.



SUBJECT MATTER	CASES 2019 at 31 December	CASES 2020 at 31 December
INTEGRITY IN OUR WORKPLACE		
Health and Safety	21	16
Discrimination and unfair treatment	11	9
Harassment	2	2
Respectful working environment	48	48
Equal opportunities	4	6
Respect for freedom of association and thought	0	0
Forced or child labour	0	0
INTEGRITY IN THE SUPPLY CHAIN		
Limitations and incompatibilities	3	0
Conflict of interest	7	8
Acceptance/offering of gifts and hospitalities	1	0
Bad practices with suppliers	9	9
Corruption	0	0
Political activity	0	0
INTEGRITY REGARDING OUR SHAREHOLDERS AND BUSINESS PARTNERS		
Reliability of information	0	2
Handling of information*	3	0
Privacy and confidentiality	0	1
Control of insider information	0	0
Asset protection	4	6
INTEGRITY IN OUR ENVIRONMENT		
Environment	0	0
Community commitment	2	1
TOTAL	115	108

\*No case has been related to financial matters

As a result of the investigations, appropriate measures have been taken in cases that have been deemed necessary, including:





# APPENDIX





# Appendix

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## Companies of the Group

As of 31 December 2020, the Group comprised the following subsidiaries throughout the world whose holding company is Gestamp Automoción S.A:



- Adral, Matricería y Puesta a Punto, S.L.
- Almussafes Mantenimiento de Troqueles, S.L.
- Automotive Chassis Products, UK Limited
- Autotech Engineering, S.L.
- Autotech Engineering Deutschland, GmbH
- Autotech Engineering R+D, UK Limited
- Beyçelik Gestamp Kalip, A.S.
- Beyçelik Gestamp Teknoloji Kalip, A.S.
- Beyçelik Gestamp Şasi, I.S.
- Celik Form Gestamp Otomotive, A.S
- Diede Die Developments, S.L.
- Edscha Automotive Hauzenberg GmbH
- Edscha Automotive Hengersberg GmbH
- Edscha Automotive Kamenice S.R.O.
- Edscha Automotive Italia, S.R.L
- Edscha Briey, S.A.S.
- Edscha Burgos, S.A.
- Edscha Engineering, GmbH
- Edscha Engineering France, S.A.S.
- Edscha Hauzenberg Real Estate, GmbH & Co. KG
- Edscha Hengersberg Real Estate, GmbH & Co. KG
- Edscha Holding, GmbH
- Edscha Hradec, S.R.O.
- Edscha Togliatti, LLC
- Edscha Kunststofftechnik, GmbH
- Edscha Santander, S.L.
- Edscha Velky Meder, S.R.O.
- Gestamp Palau, S.A.

- Gestamp Funding Luxembourg S.A.
- Gestamp 2008, S.L.
- Gestamp 2017, S.L.
- Gestamp Abrera, S.A.
- Gestamp Aragón, S.A.
- Gestamp Automoción, S.A.
- Gestamp Bizkaia, S.A.
- Gestamp Cerveira, Lda.
- Gestamp Esmar, S.A.
- Gestamp Etem Automotive Bulgaria, S.A
- Etem Gestamp Aluminium Extrusions, S.A.
- Gestamp Finance Slovakia, S.R.O.
- Gestamp Global Tooling, S.L.
- Gestamp Griwe Haynrode, GmbH
- Gestamp Griwe Hot Stamping, GmbH
- Gestamp Griwe Westerborg GmbH
- Gestamp Hardtech, AB
- Gestamp Holding Argentina, S.L.
- Gestamp Holding China, AB
- Gestamp Holding México, S.L.
- Gestamp Holding Rusia, S.L.
- Gestamp Hungaria, KFT
- Gestamp Ingeniería Europa Sur, S.L.
- Gestamp Levante, S.A.
- Gestamp Linares, S.A.
- Gestamp Louny, S.R.O.
- Gestamp Manufacturing Autochasis, S.L.
- Gestamp Metalbages, S.A.
- Gestamp Navarra, S.A.
- Gestamp Nitra, S.R.O.
- Gestamp North Europe Services, S.L.
- Gestamp Noury SAS
- Gestamp Palencia, S.A.
- Gestamp Polska, S.P. Z. O. O.
- Gestamp Prisma, S.A.S.
- Gestamp Ronchamp, S.A.S.
- Gestamp Servicios, S.A.
- Gestamp-Severstal-Kaluga, LLC
- Gestamp Severstal Vsevolozhsk LLC
- Gestamp Solblank Barcelona, S.A.
- Gestamp Solblank Navarra, S.L.
- Gestamp Sweden, AB
- Gestamp Tallent, Limited
- Gestamp Tech, S.L.
- Gestamp Technology Institute, S.L.
- Gestamp Togliatti
- Gestamp Toledo, S.A.
- Gestamp Tool Hardening, S.L.
- Gestamp Tooling Engineering Deutschland GmbH
- Gestamp Tooling Erandio, S.L.
- Gestamp Tooling Services, AIE
- Gestamp Try Out Services, S.L.
- Gestamp Umformtechnik GmbH
- Gestamp Vendas Novas Ltda
- Gestamp Vigo, S.A.
- Gestamp Washington, UK Limited
- Gestamp Wroclaw, SP.Z.O.O.
- Gestión Global de Matricería, S.L.
- Global Láser Araba, S.L.
- GMF Holding GmbH
- Industrias Tamer, S.A.
- Ingeniería Global Metalbages, S.A.
- Ingeniería y Construcción de Matrices, S.A.
- IxCxT, S.A.
- Loire SAFE
- Matricería Deusto, S.L.
- Metalbages Aragón P21, S.L.
- MPO Providers Rezistent, SRL
- Mursolar 21, S.L.
- Sofedit S.A.S.
- Todlem, S.L.
- Reparaciones Industriales Zaldibar, S.L.
- Autotech Engineering Spain, S.L.
- Autotech Engineering France, S.A.S.



- Gestamp Argentina, S.A.
- Gestamp Baires, S.A.
- Gestamp Brasil Industria de Autopeças S/A
- Gestamp Córdoba, S.A.
- Edscha Do Brasil, Ltda.
- Gestamp Sorocaba Industria Autopeças Ltda
- NCSG Sorocaba Indústria Metalúrgica Ltda.



- Autotech Engineering R&D USA, Inc.
- Edscha Automotive Michigan, INC
- Edscha Automotive SLP, S.A.P.I. de C.V.
- Edscha Automotive SLP Servicios Laborales, S.A.P.I de C.V.
- Gestamp Aguas Calientes, S.A. de C.V.
- Gestamp Alabama, LLC
- Gestamp Cartera de México, S.A de C.V.
- Gestamp Chattanooga, LLC
- Gestamp Chattanooga II, LLC
- Gestamp Mason, LLC
- Gestamp Mexicana de Servicios Laborales, S.A. de C.V.
- Gestamp North America, Inc.
- Gestamp Puebla, S.A. de C.V.
- Gestamp Puebla II, S.A. de C.V.
- Gestamp Servicios Laborales de Toluca, S.A. de C.V.
- Gestamp South Carolina, LLC
- Gestamp Toluca, S.A. de C.V.
- Gestamp West Virginia, LLC
- GGM Puebla S.A. de C.V.
- GGM Puebla Servicios Laborales, S.A. de C.V.
- Mexicana de Servicios Laborales, S.A. de C.V.
- Gestamp Mexicana de Servicios Laborales II, S.A. de C.V.
- Gestamp San Luis Potosí, S.A.P.I. de C.V.
- Gestamp San Luis Potosí Servicios Laborales, S.A.P.I. de C.V.
- Gestamp Washtenaw, LLC
- Edscha North America Technologies, LLC



- Anhui Edscha Automotive Parts, Co. Ltd.
- Autotech Engineering (Shanghai) Co., Ltd
- Edscha Aapico Automotive Co. Ltd.
- Edscha Automotive Components Kunshan Co., Ltd.
- Edscha Automotive Technology (Shanghai) Co., Ltd.
- Edscha PHA, Ltd.
- Gestamp Autocomponents (Beijing) Co., Ltd.
- Gestamp Auto Components Chongqing Co., Ltd.
- Gestamp Autocomponents Shenyang Co., Ltd.
- Gestamp Auto Components Wuhan Co., Ltd.
- Gestamp Autocomponents Dongguan Co., Ltd.
- Gestamp Autocomponents Kunshan Co. Ltd.
- Gestamp Auto Components (Tianjin) Co., LTD.
- Gestamp Automotive Chennai Private Ltd.
- Gestamp Automotive India Private Ltd.



- Tuyauto Gestamp Morocco

- Gestamp (China) Holding, Co. Ltd
- Gestamp Automotive Sanand, Private Limited
- Gestamp Autotech Japan Co., Ltd.
- Gestamp Edscha Japan Co., Ltd.
- Gestamp Hot Stamping Japan K.K.
- Gestamp Kartek, Corporation, Ltd
- Gestamp Metal Forming (Wuhan) Ltd.
- Gestamp Pune Automotive Private Limited
- Gestamp Services India, Private Limited
- Kunshan Gestool Tooling Manufacturing Co., Ltd.
- Jui Li Edscha Body Systems Co., Ltd.
- Jui Li Edscha Hainan Industry Enterprise Co., Ltd.
- Jui Li Edscha Holding Co., Ltd.
- Shanghai Edscha Machinery Co., Ltd.

## CORPORATE HEADQUARTERS

### GESTAMP AUTOMOCIÓN

Polígono industrial de Lebario  
48220 Abadiño – Vizcaya (Spain)

### GESTAMP GROUP

Calle Alfonso XII, 16  
28014 Madrid (Spain)



# Methodology used in drawing up the Report

## Scope and coverage of the Report

This report corresponds to the period between 1 January and 31 December 2020 and it applies to all of the Group's activities in the regions in which we operate. This report is published on a yearly basis.

In the event of limitations regarding scope, coverage, consolidation perimeter changes or other information restrictions, the appropriate specifications have been either made throughout the chapters or in the performance indicator tables (Global Reporting Initiative (GRI)).

Furthermore, we have used other reports to provide more specific information on particular matters:

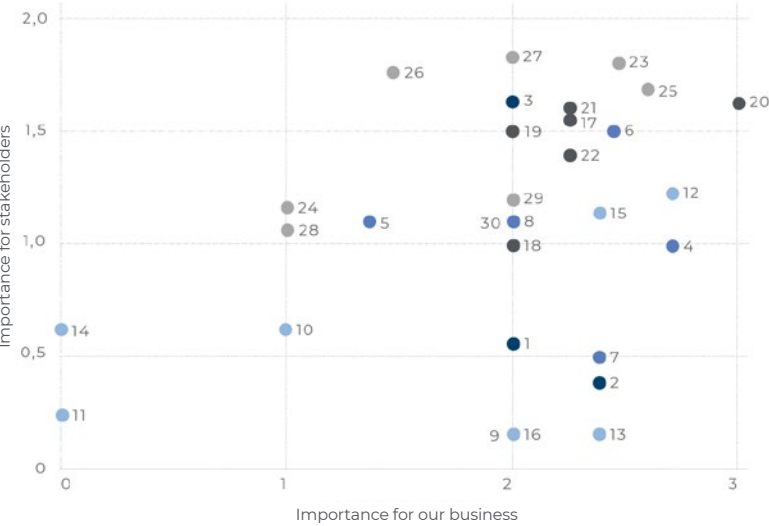
- Report on the consolidated Financial Statements of Gestamp Automoción S.A. corresponding to the financial year ending 31 December 2020.
- Annual Corporate Governance Report.
- Annual Report on the Remuneration of Directors.

All of the foregoing was published by the Spanish National Securities Market Commission (CNMV) on 24 February 2020.



Every aspect has been analysed from the perspective of our main stakeholders and of the company, resulting in the following matrix:

MATERIALITY ANALYSIS 2020 - GESTAMP



ASPECTS	COVERAGE
20. Employee health and safety	External
25. Energy management: energy efficiency	Internal
23. GHG emissions management	Internal
6. Management of the Legal & Regulatory Environment	Internal
12. Product Quality & Safety	Internal
27. Waste and hazardous material management	Internal
21. Employee engagement, diversity and inclusion	Internal
17. Human Rights	Internal/external
4. Business Ethics	Internal/external
22. Development and training	Internal
15. Product Design & Lifecycle Management	Internal
3. Supply Chain Management	External
19. Labour practices	Internal
26. Water and wastewater management	Internal/external
29. Responsible use of materials and components	Internal
30. Physical impacts of climate change	External
8. Good Corporate Governance practice	Internal
18. Community relations	External
7. Systemic Risk & Critical Incident Management	Internal/external
2. Business Model Resilience	Internal/external
13. Client satisfaction	External
1. Fiscal responsibility	Internal/external
5. Competitive Behavior	Internal/external
24. Air quality	Internal
9. Data Security	Internal
16. Materials Sourcing & Efficiency	External
28. Ecology and biodiversity	External
10. Customer Privacy	External
14. Selling Practices & Product Labeling	Internal
11. Access & Affordability	External

## International Standards

The Gestamp Automoción S.A. 2020 Sustainability Report was prepared following the “core” option of the Global Reporting Initiative’s GRI Standards.

## Independent review

To strengthen the veracity and precision of the information set out in the report, it was independently reviewed by Ernst & Young, which followed:

- The Action Guide on Corporate Responsibility Report Reviews issued by the ICJCE (Spanish Institute of Certified Public Accountants).
- The ISAE 3000 Standard: 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 limited assurance.

Furthermore, the Annual Financial Statements of Gestamp S.A. and subsidiary companies are audited each year by external independent companies pursuant to current legislation.

SASB indicators

Please find below the indicators according to Sustainability Acaounting Standards Board (SASB) related to Transportation Sector- Auto Parts industry

DIMENSION	ISSUE	SASB AUTO COMPONENT INDICATORS	PAGE
ENVIRONMENTAL	GHG Emissions		p. 100 - 105
	Air Quality		p. 100 - 105
	Energy Management	TR-AP-130a.1: (1) Total energy consumed, (2) percentage of renewable energy	p. 102 - 103, 106 - 110
	Water & Wastewater Management		p. 90 - 91
	Waste & Hazardous Materials Management	TR-AP-150a.1: (1) Total quantity of waste from manufacturing, (2) percentage hazardous, (3) percentage recycled	p. 94 - 97
SOCIAL CAPITAL	Ecological Impacts		p. 98 - 99
	Human Rights		p. 194, 205
	Community Relations*		p. 150 - 163
	Customer Privacy		p. 197
	Data Security		p. 200 - 201
	Access & Affordability		N/A
	Product Quality & Safety	TR-AP-250a.1: Number of recalls issued, total units recalled	p. 51 - 56, 68 - 81
	Customer Welfare		p. 51 - 56, 68 - 81
	Selling Practices & Product Labeling		p. 51 - 56, 68 - 81
	Labor Practices		p. 114 - 133
	Employee Health & Safety		p. 134 - 149
	Employee Engagement, Diversity & Inclusion		p. 118 -120
	Product Design & Lifecycle Management	TR-AP-410a.1: Revenue from products designed to increase fuel efficiency and/or reduce emissions	p. 48 -57, 68 -81, 86 - 87
BUSINESS MODEL & INNOVATION	Business Model Resilience		p. 5, 32 - 34; 68 - 81
	Supply Chain Management		p. 58 - 63
	Materials Sourcing & Efficiency	TR-AP-440a.1: Description of the management of risks associated with the use of critical material	p. 61
	Physical Impacts of Climate Change		p. 100 - 102, 189
	Business Ethics		p. 192 - 205
LEADERSHIP & GOVERNANCE	Competitive Behavior	TR-AP-520a.1: Total amount of monetary losses as a result from legal proceedings associated with anti-competitive behavior regulations	p. 198
	Management of the Legal & Regulatory Environment		p. 192 - 205
	Systemic Risk & Critical Incident Management		p. 184 - 191

\* Community relations in SASB Materiality Map is together with Human Rights, but we prefer to treat it differently.

Index of contents and indicators of GRI Standards

GRI STANDARD	CONTENT	PAGES
FOUNDATION (101)		
101	Name of the organization	Gestamp Automoción, S.A.
GENERAL DISCLOSURES (102)		
ORGANISATIONAL PROFILE		
102-1	Name of the organization	Gestamp Automoción, S.A.
102-2	Activities, brands, products, and services	p. 8 - 17
102-3	Location of headquarters	p. 211
102-4	Location of operations	p. 208 - 211
102-5	Ownership and legal form	p. 166 - 167
102-6	Markets served	p. 12 - 13
102-7	Scale of the organization	p. 8 - 17
102-8	Information on employees and other workers	p. 116 - 117 Consolidated Financial Statements 2020
102-9	Supply chain	p. 58 - 63
102-10	Significant changes to the organization and its supply chain	p. 4 - 5, 18 - 19, 32 - 35, 58 - 63
102-11	Precautionary Principle or approach	p. 22, 32 - 33, 46, 68 - 73, 86 - 87, 100 - 101, 114 - 115, 134 - 139, 150, 184 - 203
102-12	External initiatives	p. 82 - 83, 150 - 163
102-13	Membership of associations	p. 162
STRATEGY		
102-14	Statement from senior decision-maker	p. 4 - 5
102-15	Key impacts, risks, and opportunities	p. 10 - 11, 28 - 29, 184 - 191
ETHICS & INTEGRITY		
102-16	Statement from senior decision-maker	p. 9, 24 - 27, 192 - 205
102-17	Key impacts, risks, and opportunities	p. 204 - 205
GOVERNANCE		
102-18	Governance structure	p. 166 - 183
102-19	Delegating authority	p. 167 - 171, 175
102-20	Executive-level responsibility for economic, environmental, and social topics	p. 24 - 29, 177
102-21	Consulting stakeholders on economic, environmental, and social topics	p. 26 - 27
102-22	Composition of the highest governance body and its committees	p. 167 - 183
102-23	Chair of the highest governance body	p. 175
102-24	Nominating and selecting the highest governance body	p. 175, 178 - 179
102-25	Conflicts of interest	p. 198
102-26	Role of highest governance body in setting purpose, values, and strategy	p. 24 - 25, 167
102-27	Collective knowledge of highest governance body	p. 173



GRI STANDARD	CONTENT	PAGES
102-28	Evaluating the highest governance body's performance	p. 174 Section C.117 Corporate Governance Annual Report
102-29	Identifying and managing economic, environmental, and social impacts	p. 10 - 11, 28 - 29, 35, 94 - 95, 97, 102 - 106, 116 - 117, 157, 205, 212 - 213
102-30	Effectiveness of risk management processes	p. 184 - 191
102-31	Review of economic, environmental, and social topics	p. 10 - 11, 28 - 29, 35, 94 - 95, 97, 102 - 106, 116 - 117, 157, 205, 212 - 213
102-32	Highest governance body's role in sustainability reporting	p. 168, 170 - 171 Corporate Governance Annual Report
102-33	Communicating critical concerns	p. 185
102-34	Nature and total number of critical concerns	p. 184 - 191, 205
102-35	Remuneration policies	p. 180
102-36	Stakeholders' involvement in remuneration	p. 180
102-37	Stakeholders' involvement in remuneration	p. 168 - 169
STAKEHOLDERS' ENGAGEMENT		
102-40	List of stakeholder groups	p. 10 - 11, 26 - 27
102-41	Collective bargaining agreements	p. 121
102-42	Identifying and selecting stakeholders	p. 10 - 11, 26 - 27
102-43	Approach to stakeholder engagement	p. 10 - 11, 26 - 27
102-44	Key topics and concerns raised	p. 10 - 11, 26 - 27, 212 - 213
REPORT PROFILE		
102-45	Entities included in the consolidated financial statements	p. 208 - 212
102-46	Defining report content and topic Boundaries	p. 212 - 213
102-47	List of material topics	p. 212 - 213
102-48	Restatements of information	No information from previous Reports has been re-expressed during 2020.
102-49	Changes in reporting	During 2020 there have been no changes in the report.
102-50	Reporting period	p. 212
102-51	Date of most recent report	Sustainability Report 2019 (June 2020)
102-52	Reporting cycle	p. 212
102-53	Contact point for questions regarding the report	sustainabilityreport@gestamp.com
102-54	Claims of reporting in accordance with the GRI Standards	p. 213
102-55	GRI content index	p. 215 - 221
102-56	External assurance	p. 213, 223
MANAGEMENT APPROACH (103)		
103-1	Explanation of the material topic and its boundary	p. 212 - 213
103-2	The management approach and its components	p. 212 - 213
103-3	Evaluation of the management approach	p. 212 - 213

GRI STANDARD	CONTENT	PAGES
ECONOMIC STANDARDS (200)		
MANAGEMENT APPROACH		
103-1	Explanation of the material topic and its boundary	p. 32 - 45
103-2	The management approach and its components	p. 32 - 45
103-3	Evaluation of the management approach	p. 32 - 45
DESEMPEÑO ECONÓMICO		
201-1	Direct economic value generated and distributed	p. 32 - 45
201-2	Financial implications and other risks and opportunities due to climate change	p. 101 - 102, 189
201-4	Financial assistance received from government	p. 43
203-1	Infrastructure investments and services supported	Consolidated Annual Accounts Gestamp 2020
205-1	Operations assessed for risks related to corruption	p. 29, 205, 208 - 211
205-2	Communication and training about anti-corruption policies and procedures	p. 195, 205
205-3	Confirmed incidents of corruption and actions taken	p. 195, 205
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	p. 198
207-1	Approach to tax	p. 42 - 43
207-2	Tax governance, control, and risk management	p. 42 - 43, 190 - 191
207-4	Country-by-country reporting	Consolidated Annual Accounts Gestamp 2020
ENVIRONMENTAL STANDARDS (300)		
MANAGEMENT APPROACH		
103-1	Explanation of the material topic and its boundary	p. 86 - 87, 94 , 100 - 102, 106
103-2	The management approach and its components	p. 86 - 87, 94 , 100 - 102, 107
103-3	Evaluation of the management approach	p. 88 - 111
ENVIRONMENTAL PERFORMANCE		
Materials		
301-1	Materials used by weight or volume	p. 93
301-3	Reclaimed products and their packaging materials	The packaging of Gestamp products are done according to the client technical specifications.
Energy		
302-1	Energy consumption within the organization	p. 102 - 103
302-2	Energy consumption outside of the organization	Total energy consumption outside of the organization: 88,139,105 GJ
302-3	Energy intensity	MWh per ton of consumed steel: 0.65
302-4	Reduction of energy consumption	p. 106 - 109
Water and Effluents		
303-1	Interactions with water as a shared resource	p. 90 - 91 Gestamp CDP Water 2020
303-2	Management of water discharge-related impacts	p. 90 - 91 Gestamp CDP Water 2020

GRI STANDARD	CONTENT	PAGES
303-3	Water withdrawal	This item is not reported because water withdrawal is not a material issue for the company
303-4	Water discharge	p. 90 - 91 Gestamp CDP Water 2020
303-5	Water consumption	p. 90 - 91 Gestamp CDP Water 2020
Biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	p. 98 - 99
304-2	Significant impacts of activities, products, and services on biodiversity	p. 98 - 99
304-3	Habitats protected or restored	The risk of impacting protected or restored habitats is very low. p. 98 - 99
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	The risk of affecting species that appear on the IUCN Red List whose habitats are protected or restored is very low. p. 98 - 99
Emissions		
305-1	Direct (Scope 1) GHG emissions	p. 104
305-2	Energy indirect (Scope 2) GHG emissions	p. 104
305-3	Other indirect (Scope 3) GHG emissions	p. 104 - 105
305-4	GHG emissions intensity	Tons of CO <sub>2</sub> / Tons of consumed steel: 0.24
305-5	Reduction of GHG emissions	p. 106 - 109
Emmissions and Waste		
305-6	Emissions of ozone-depleting substances (ODS)	Gestamp has not generated significant emissions of substances that destroy the ozone layer.
305-7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	p. 105
306-1	Waste generation and significant waste-related impacts	p. 94 - 97 97% of generated waste is non-hazardous of which 98% is scrap, 100% recyclable.
306-2	Management of significant waste-related impacts	p. 94 - 97
306-3	Waste generated	p. 94 - 97
306-4	Waste diverted from disposal	p. 94 - 97
306-5	Waste directed to disposal	p. 94 - 97
Environmetnal Compliance		
307-1	Non-compliance with environmental laws and regulations	Gestamp has not had significant fines or penalties in 2020 because of breaches of environmental regulations.
Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	p. 60 - 63
308-2	Negative environmental impacts in the supply chain and actions taken	p. 58 - 63

GRI STANDARD	CONTENT	PAGES
SOCIAL STANDARDS (400)		
MANAGEMENT APPROACH		
103-1	Explanation of the material topic and its boundary	p. 114 - 115, 134 - 137, 150
103-2	The management approach and its components	p. 114 - 115, 134 - 137, 150
103-3	Evaluation of the management approach	p. 114 - 163
SOCIAL PERFORMANCE		
Employment		
401-1	New employee hires and employee turnover	p. 116. Average turnover rate of employees in 2020: 7.7%. Average turnover rate of employees in 2019: 9%
Occupational Health and Safety		
403-1	Occupational health and safety management system	p. 134 - 145
403-2	Hazard identification, risk assessment, and incident investigation	p. 134 - 145
403-3	Occupational health services	p. 134 - 145
403-4	Worker participation, consultation, and communication on occupational health and safety	p. 121
403-5	Worker training on occupational health and safety	p. 126, 144
403-6	Promotion of worker health	p. 134 - 151
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 136 - 137, 186
403-8	Workers covered by an occupational health and safety management system	p. 134, 140
403-9	Work-related injuries	p. 146 - 147
403-10	Work-related ill health	p. 146 - 147
Training and Education		
404-1	Average hours of training per year per employee	p.125
404-2	Programs for upgrading employee skills and transition assistance programs	p. 123 - 127
405-1	Diversity of governance bodies and employees	p. 117 - 118, 172
405-2	Ratio of basic salary and remuneration of women to men.	Based on the calculation of average remuneration, the salary gap identified between men and women comparing positions with a similar level of responsibility and weighted by number of people/ country is 11.47% in total remuneration (fixed + variable). These differences are due to the composition of the workforce in each of the professional groups established in the G3S, whose distribution by men and women includes different profiles of seniority in the company, age and work experience.



GRI STANDARD	CONTENT	PAGES
Diversity and Equal Opportunity		
406-1	Incidents of discrimination and corrective actions taken	p. 205
Freedom of Association and Collective Bargaining		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	p. 121, 194, 205 No work site and / or supplier has been identified where freedom of association and collective bargaining may be at risk during 2020.
Child Labour		
408-1	Operations and suppliers at significant risk for incidents of child labour	p. 62 - 63, 194, 205 It is included in our Code of Conduct and Corporate Social Responsibility requirements for Gestamp suppliers No work site and / or provider has been identified where child labour is a risk factor for our organisation during 2020.
Forced or Compulsory Labour		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	p. 62 - 63, 194, 205 It is included in our Code of Conduct and Corporate Social Responsibility requirements for Gestamp suppliers No work site and / or provider has been identified where forced labour is a risk factor for our organisation.
Human Rights Assessment		
412-1	Operations that have been subject to human rights reviews or impact assessments	p. 194
412-2	Employee training on human rights policies or procedure	No training on relevant aspects of human rights was carried out during 2020.
Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	p. 150 - 163
413-2	Operations with significant actual and potential negative impacts on local communities	p. 150 - 163 As of December 31, 2020, there are no operations with significant actual negative impacts on local communities.

GRI STANDARD	CONTENT	PAGES
Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	p. 58 - 63
414-2	Negative social impacts in the supply chain and actions taken	p. 58 - 63
Customer Health and Safety		
416-1	Assessment of the health and safety impacts of product and service categories	p. 14 - 17, 51 - 56, 68 - 81 All Gestamp products meet the quality and safety criteria established by its clients. Safety is a strategic line of research and development for the Group, identifying formulas that lead to greater safety both for the occupants of the vehicle and pedestrians. During 2020, no vehicle in the possession of a final user was recalled for a revision for any reason relating to the products supplied by the Group.
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	p. 55
Marketing and Labelling		
417-1	Requirements for product and service information and labelling	p. 48 - 57, 67, 70 All products and services comply with the information and / or labels required by each client.
417-2	Incidents of non-compliance concerning product and service information and labeling	There were not incidents of non-compliance concerning product and service information labelling.
417-3	Incidents of non-compliance concerning marketing communications	There were not incidents of non-compliance concerning marketing communications.
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Gestamp has not had any fines or significant sanctions during 2020 for substantiated complaints concerning breaches of customer privacy and losses of customer data.
419-1	Non-compliance with laws and regulations in the social and economic area	Gestamp has not had any fines or significant sanctions during 2020 for non-compliance with social or economic regulations.

UN Global Compact


In 2008 we endorsed the Principles of the Global Compact, and in 2011 we became a partner. Our commitment to these principles related to human rights, labour rights, environment and corruption is reflected each year in the Sustainability Report and in the progress report published annually, which is available on the Global Compact web-site: [www.pactomundial.org](http://www.pactomundial.org) and at <https://www.unglobalcompact.org/what-is-gc/participants/4608>

Furthermore, we go beyond linking the Principles of the Global Compact with the GRI indicators and SDGs, achieving a more defined and specific vision of our responsibility and compromise.



ISSUES	GLOBAL COMPACT PRINCIPLES	GRI INDICATORS	SDG
Human Rights	1. Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence	102-41, 403-2, 403-3, 405-1, 405-2, 412-3, 406-1, 409-1, 414-1, 416-1	1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 16, 17
	2. Businesses should make sure they are not complicit in human rights violations	412-3, 414-1, 406-1-409-1	1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 16, 17
Labour Rights	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	102-41, 402-1, 407-1, 412-3, 414-1	1, 3, 5, 8, 9, 10, 16, 17
	4. Businesses should uphold the elimination of all forms of forced or compulsory labour	409-1, 412-3, 414-1	1, 3, 5, 8, 9, 10, 16, 17
	5. Businesses should uphold the effective abolition of child labour	409-1, 412-2, 412-3	1, 3, 5, 8, 9, 10, 16, 17
	6. Businesses should uphold the elimination of discrimination in employment and occupation	202-2, 401-1, 405-1, 405-2, 406-1, 412-3, 414-1	1, 3, 5, 8, 9, 10, 16, 17
Environment	7. Businesses should support a precautionary approach to environmental challenges	301-3, 302-1, 303-1, 304-1, 304-2, 305-1-305-3, 306-1, 306-2, 307-1, 416-1, 417-1	2, 6, 7, 9, 11, 12, 13, 14, 15, 17
	8. Businesses should undertake initiatives to promote greater environmental responsibility	201-2	2, 6, 7, 9, 11, 12, 13, 14, 15, 17
	9. Businesses should encourage the development and dissemination of environmentally friendly technologies	301-3	2, 6, 7, 9, 11, 12, 13, 14, 15, 17
Fight against corruption	10. Businesses should work against corruption in all its forms, including extortion and bribery	205-1-205-3	3, 10, 16, 17

Report on Independent Review



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**INDEPENDENT REVIEW REPORT ON  
GESTAMP AUTOMOCION GROUP 2020 SUSTAINABILITY REPORT**

To the Management of Gestamp Automoción, S.A.

**Scope**

We have conducted the review of the information of sustainability in the Sustainability Report 2020 (hereinafter the Report) of Gestamp Automoción (hereinafter Gestamp) and in the "Index of contents and GRI Standards" contained in the "Annexes" section. This memory has been elaborated according to the Guide for the preparation of Sustainability Reports of Global Reporting Initiative GRI Standards.

The scope determined by Gestamp for the preparation of this Report is defined in the section "Scope and coverage " of the accompanying Report.

The preparation of the accompanying Report, as well as the information contained therein, is the responsibility of the Management of Gestamp, who is also responsible for defining, adapting, and maintaining the management and internal control systems 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 Spanish Official Register of Auditors of Accounts (ICJCE).
- Standard ISAE 3000 (Revised), 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 level of assurance.

**Applied Procedures**

Our review consisted in requesting information from Gestamp's Sustainability Management and the various managers of business units involved in preparing the Report, and applying certain analytical procedures and sampling review tests, including:

- Interviews with the staff in charge of the preparation of the sustainability information, in order to gain an understanding of how the objectives and Sustainability policies are considered and put into practice and integrated in Gestamp global group strategy.
- Reviewing the processes for the compilation and validation of the sustainability information included in the attached Report.
- Verification of the Gestamp's processes to determine the material aspects, as well as the participation of stakeholders in them.
- Review of the adequacy of structure and contents of the sustainability information, in accordance with the statements of the Guide for the preparation of Sustainability Reports of Global Reporting Initiative GRI Standards, according to the Core compliance option.

- Checking, through review tests based on a selection of both qualitative and quantitative information samples of the indicators included in the Content Index of contents and GRI Standards in Annexes, and its adequate compilation from the data provided from different information sources. The review tests have been defined to provide assurance levels in line with the criteria described in this report
- Verification on the fact that the financial information included in the Report has been audited by independent third parties.

These procedures were performed on information published in Gestamp's 2020 Sustainability Report and in the "Index of contents and GRI Standards" in Annexes, with the above mentioned perimeter and scope.

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

**Independence**

We have met the independence requirements and other ethical requirements of the Code of Ethics for Accounting Practitioners issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies the International Quality Control Standard 1 (NICC 1) and maintains, therefore, a global quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory provisions.

**Conclusions**

As a result of our review of Gestamp's 2020 Sustainability Report, within the previously described scope, we conclude that no matter came to our attention that would lead us to believe that the Report was not prepared, in all its significant aspects, according to Global Reporting Initiative (GRI) Preparation Guide for Sustainability Reports version GRI Standards, as it is stated in the Report, having reviewed the "Index of contents and GRI Standards".

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

ERNST & YOUNG, S.L.

(Free translation from the Original Report on Independent Review in Spanish dated May 5<sup>th</sup>, 2021. In case of any discrepancy, the Spanish version always prevails)



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