

This document is a translation into English of an original document drafted in Spanish. This document contains:

- (i) Individual Annual Financial Statements and the Consolidated Annual Financial Statements of the Company and its subsidiaries for Fiscal Year 2020, drawn up by the Board of Directors at its meeting of February 24, 2021;
- (ii) Individual and Consolidated Management Reports of the Company and the companies included in its scope of consolidation drawn up by the Board of Directors at its meeting of February 24, 2021;
- (iii) the signing page and
- (iv) the Responsibility Statement of the Directors of the Company.

This translation is for information purposes only, therefore, in case of discrepancy, the Spanish version shall prevail. The Spanish version of this document is available on the official website of the Company ([www.gestamp.com](http://www.gestamp.com)).

Audit Report on Financial Statements  
issued by an Independent Auditor

GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES  
Consolidated Financial Statements and  
Consolidated Management Report  
for the year ended  
December 31, 2020

## **AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR**

(Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails)

To the shareholders of GESTAMP AUTOMOCIÓN, S.A.:

### **Audit report on the consolidated financial statements**

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#### **Opinion**

We have audited the consolidated financial statements of GESTAMP AUTOMOCIÓN, S.A. (the parent) and its subsidiaries (the Group), which comprise the consolidated balance sheet at December 31, 2020, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes thereto, for the year then ended.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of consolidated equity and the consolidated financial position of the Group at December 31, 2020 and of its financial performance and its consolidated cash flows, for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRS-EU), and other provisions in the regulatory framework applicable in Spain.

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#### **Basis for opinion**

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

### *Measurement of intangible assets and property, plant, and equipment*

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**Description** As explained in notes 10 and 11 to the accompanying consolidated financial statements, at December 31, 2020, the Group had goodwill, other intangible assets, and property, plant, and equipment in the respective amounts of 91,715 thousand, 368,153 thousand, and 4,234,128 thousand euros. Management conducts impairment tests annually for cash generating units (CGUs) with goodwill, assets assigned indefinite useful lives or property, plant, and equipment with indications of the impairment. These impairment tests are made by calculating value in use based on a cash flow discount rate forecasted in CGU budgeted projections. The related analyses require complex estimates that entail making significant judgments in establishing assumptions regarding the CGU's future cash flows.

Given the significant amounts of intangible assets and property, plant and in addition to as well as the inherent complexity of the analysis performed by Group management, we determined this to be a key audit matter.

The accounting policies, as well as the method of calculating value in use, the recoverability analysis performed on the CGUs and the information included in conformity with the applicable financial reporting framework are described in notes 6.7, 7, 10 and 11 to the accompanying consolidated financial statements.

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### Our response

Among others, our audit procedures included the following:

- ▶ Understanding the processes established by Group management to test goodwill, other intangible assets, and property, plant and equipment for impairment.
- ▶ Verifying that the Group's indicators for determining whether there is any indication of impairment are consistent with IAS 36 requirements.
- ▶ Reviewing, for CGUs subject to impairment testing, the reasonableness of the financial information and projected cash flows included in the business plan. For this purpose, we contrasted the projected information with other information sources: historical trends, the business plan approved by the Board of Directors, and other external sources.
- ▶ Involving our valuation specialists to verify the reasonableness of the methodology used to calculate value in use, discount rates, long-term growth rates, and the sensitivity calculations performed by the Group.
- ▶ Reviewing the disclosures made in the notes to the consolidated financial statement comply with the applicable financial reporting framework.



### *Recoverability of deferred tax assets*

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**Description** As indicated in Note 24, at December 31, 2020, the Group had deferred tax assets totaling 487,783 thousand euros corresponding to tax credits and other deductible temporary differenced which Group management expects to recover or reverse in the future. Group management's assessment of the recoverability of the deferred tax assets is made using its estimates of future taxable profit based on the Group's financial projections and business plans, and contemplating applicable tax regulations at any given time. The determination of the amount to be recovered in the future requires that management make significant judgments in establishing Group management's assumptions based on a reasonable period and the level of future taxable profit.

Given that the amounts of deferred tax assets are significant and the inherent complexity of the analysis performed by Group management, we determined this to be a key audit matter.

The accounting policies and Information included in conformity with the applicable financial reporting framework are described in the accompanying notes 6.18, 24, and 29 to the consolidated financial statements.

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**Our  
response**

Among others, our audit procedures included the following:

- ▶ Understanding the processes established by Group management to analyze the recoverability of deferred tax assets.
- ▶ Assessing the assumptions and estimates used by Group management to determine the probability that the Group will obtain sufficient future taxable profit for a sample of the Group's significant components. This assessment entailed reviewing management's use of future budgets, business performance forecasts, and historical experience.
- ▶ Involving our team of tax specialists to review specific aspects of these estimates.
- ▶ Reviewing the disclosures made in the notes to the consolidated financial statement comply with the applicable financial reporting framework.

### *Revenue Recognition*

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**Description** As explained in note 1 to the accompanying consolidated financial statements, the Group's business focuses on the development and manufacture of metal parts for the automobile industry, via stamping, assembly, welding and joining of formats, as well as the construction of tools (matrices for manufacturing parts) and machinery. As explained in note 6.11 to the accompanying consolidated financial statements, the Group's contracts include variable consideration resulting from price increases under negotiation that are estimated based on the expected probability method, and are limited to the amount that is not expected to be reversed in the future.

Given the complexity of the judgments required and the significance of the amounts involved, we determined this to be a key audit matter.

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**Our  
response**

Among others, our audit procedures included the following:

- ▶ Understanding the Group's revenue recognition policies and procedures, including an analysis of the design, implementation and the operating effectiveness of controls related to revenue recognition processes employed by the Group's significant components.
- ▶ Analyzing variable consideration through validation of the reasonableness of the hypotheses applied for a sample of contracts. We likewise reviewed the reasonableness of prior year estimates against actual data obtained in the year for the Group's significant components.
- ▶ Carrying out analytical procedures for the Group's significant components, analyzing the reasonableness of the variable consideration based on client category, the actual performance of revenues and prior year data.
- ▶ Reviewing the disclosures made in the notes to the consolidated financial statement comply with the applicable financial reporting framework.

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**Other information: Consolidated Management Report**

Other information refers exclusively to the 2020 consolidated management report, the preparation of which is the responsibility of the parent Company's directors and is not an integral part of the financial statements.

Our audit opinion on the financial statements does not cover the management report. Our responsibility for the management report, in conformity with prevailing audit regulations in Spain, entails:

- a. Checking only that the non-financial statement and certain information included in the Corporate Governance Report, to which the Audit Law refers, was provided as stipulated by applicable regulations and, if not, disclose this fact.
- b. Assessing and reporting on the consistency of the remaining information included in the management report with the financial statements, based on the knowledge of the entity obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided in the consolidated management report, and that the remaining the information contained therein is consistent with that provided in the 2020 consolidated financial statements and their content and presentation are in conformity with applicable regulations.



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## **Responsibilities of the parent company's directors and the audit committee for the consolidated financial statements**

The directors of the parent company are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with IFRS-EU, and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the parent company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

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## **Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee of the parent company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee of the parent company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.



## Report on other legal and regulatory requirements

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### Additional report to the audit committee

The opinion expressed in this audit report is consistent with the additional report we issued to the audit committee of the Parent Company on February 24, 2021.

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### Term of engagement

The Ordinary General Shareholders' meeting held on June 25, 2020 appointed us as auditors for the period ended December 31, 2020 or the GROUP GESTAMP AUTOMOCIÓN, S.A.

Previously, we were appointed as auditors by the shareholders for 1 year and we have been carrying out the audit of the consolidated financial statements continuously since December 31, 1999.

ERNST & YOUNG, S.L.  
(Registered in the Official Register of  
Auditors under No. S0530)

(signed in the original version)

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María Florencia Krauss Padoani  
(Registered in the Official Register of  
Auditors under No. 22706)

February 24, 2021

**GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES**

**Consolidated Financial Statements  
and Consolidated Directors' Report  
for the year ended 31 December 2020**



## GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

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GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AT DECEMBER 31, 2020 AND DECEMBER 31, 2019**  
(In thousands of euros)

	Note	December 31, 2020	December 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	10	459,868	479,818
Goodwill		91,715	95,731
Other intangible assets		368,153	384,087
Property, plant and equipment	11	4,234,128	4,579,793
Land and buildings		1,372,404	1,412,865
Plant and other PP&E		2,494,878	2,687,792
PP&E under construction and prepayments		366,846	479,136
Financial assets	12	85,574	71,312
Investments in associates accounted for using the equity method		15,022	14,131
Loans and receivables		57,760	32,848
Derivatives in effective hedges		1,171	12,238
Other non-current financial assets		11,621	12,095
Deferred tax assets	24	487,783	441,860
<b>Total non-current assets</b>		<b>5,267,353</b>	<b>5,572,783</b>
<b>Current assets</b>			
Inventories	13	358,218	451,024
Commodities and other consumables		309,794	382,727
By-products and scrap		146	884
Prepayments to suppliers		48,278	67,413
Assets from contracts with customers	14	469,242	538,400
Work in progress		193,999	214,290
Finished products and by-products		130,127	143,821
Trade receivables, tooling		145,116	180,289
Trade and other receivables	15	817,543	1,067,471
Trade receivables		560,361	776,810
Other receivables		16,141	17,622
Current income tax assets		23,275	41,649
Receivables from public authorities		217,766	231,390
Other current assets	15	108,527	110,877
Financial assets	12	31,362	88,541
Loans and receivables		797	22,212
Securities portfolio		4,192	22,250
Other current financial assets		26,373	44,079
Cash and cash equivalents	15	2,304,633	658,581
<b>Total current assets</b>		<b>4,089,525</b>	<b>2,914,894</b>
<b>Total assets</b>		<b>9,356,878</b>	<b>8,487,677</b>

GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AT DECEMBER 31, 2020 AND DECEMBER 31, 2019**  
(In thousands of euros)

	Note	December 31, 2020	December 31, 2019
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Capital and reserves attributable to equity holders of the Parent Company</b>			
Issued capital	16	287,757	287,757
Treasury shares	16	(1,349)	(2,872)
Share premium	16	61,591	61,591
Retained earnings	17	1,761,888	1,951,058
Translation differences	18	(600,429)	(363,222)
Interim dividend	17	-	(31,601)
<b>Equity attributable to equity holders of the Parent Company</b>		<b>1,509,458</b>	<b>1,902,711</b>
<b>Equity attributable to non-controlling interest</b>	19	<b>444,133</b>	<b>489,406</b>
<b>Total equity</b>		<b>1,953,591</b>	<b>2,392,117</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Deferred income	20	37,481	23,660
Non-current provisions	21-22	175,319	147,580
Non trade liabilities	23	3,792,096	3,329,172
Interest-bearing loans and borrowings and debt issues		3,254,034	2,725,530
Derivative financial instruments		29,501	66,138
Other non-current financial liabilities		496,235	527,136
Other non-current liabilities		12,326	10,368
Deferred tax liabilities	24	301,066	369,514
Other non-current liabilities		12,946	17,226
<b>Total non-current liabilities</b>		<b>4,318,908</b>	<b>3,887,152</b>
<b>Current liabilities</b>			
Non trade liabilities	23	1,289,730	423,695
Interest-bearing loans and borrowings and debt issues		717,095	138,706
Other current financial liabilities		353,645	77,334
Other non-current liabilities		218,990	207,655
Trade and other payables	25	1,737,361	1,757,782
Trade accounts payable		1,460,757	1,463,521
Current tax liabilities		14,589	33,419
Other accounts payable		262,015	260,842
Current provisions	21	34,546	16,555
Other current liabilities	15	22,742	10,376
<b>Total current liabilities</b>		<b>3,084,379</b>	<b>2,208,408</b>
<b>Total liabilities</b>		<b>7,403,287</b>	<b>6,095,560</b>
<b>Total equity and liabilities</b>		<b>9,356,878</b>	<b>8,487,677</b>

**GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE PERIOD ENDED DECEMBER 31, 2020 AND DECEMBER 31, 2019  
(In thousands of euros)**

	Note	December 31, 2020	December 31, 2019
<b>CONTINUING OPERATIONS</b>			
OPERATING INCOME	26	7,557,765	9,286,968
Revenue		7,455,840	9,065,146
Other operating income		137,154	211,592
Changes in inventories		(35,229)	10,230
OPERATING EXPENSE	27	(7,502,648)	(8,783,005)
Raw materials and other consumables		(4,501,428)	(5,453,818)
Personnel expenses		(1,336,777)	(1,615,923)
Depreciation, amortization, and impairment losses		(599,009)	(567,765)
Other operating expenses		(962,266)	(1,145,499)
Transformation plan expenses	1		
Operating expenses		(89,892)	-
Fixed assets impairment		(13,276)	-
<b>OPERATING PROFIT</b>		<b>55,117</b>	<b>503,963</b>
Financial income	28	15,757	13,494
Financial expenses	28	(181,867)	(172,815)
Exchange gains (losses)		(51,730)	4,184
Share of profits from associates - equity method	12	1,066	2,060
Change in fair value of financial instruments	23	(4,538)	(14,587)
Impairment and gains (losses) on sale of financial instruments		-	168
Inflation result	4.5	(350)	(2,385)
<b>PROFIT BEFORE TAXES FROM CONTINUING OPERATIONS</b>		<b>(166,545)</b>	<b>334,082</b>
Income tax expense	29	22,689	(66,947)
<b>PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS</b>		<b>(143,856)</b>	<b>267,135</b>
<b>PROFIT FOR THE YEAR</b>		<b>(143,856)</b>	<b>267,135</b>
Profit (loss) attributable to non-controlling interest	19	(7,199)	(54,863)
<b>PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY</b>		<b>(151,055)</b>	<b>212,272</b>
<b>Earnings per share (euros)</b>			
-Basic	30	(0.26)	0.37
From continuing operations		(0.26)	0.37
From discontinued operations		-	-
-Diluted	30	(0.26)	0.37
From continuing operations		(0.26)	0.37
From discontinued operations		-	-



GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED DECEMBER 31, 2020 AND DECEMBER 31, 2019**  
(In thousands of euros)

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
PROFIT FOR THE YEAR	(143,856)	267,135
OTHER COMPREHENSIVE INCOME		
<i>Other comprehensive income not to be reclassified to income in next years:</i>		
Actuarial gains and losses	17	(7,015)
<i>Other comprehensive income to be reclassified to income in next years:</i>		
From cash flow hedges	23.b.1)	11,075
Translation differences	<u>(284,074)</u>	<u>32,819</u>
Attributable to Parent Company	18	(237,207)
Attributable to non-controlling interest	19	(46,867)
<b>TOTAL COMPREHENSIVE INCOME NET OF TAXES</b>	<b><u>(423,870)</u></b>	<b><u>295,512</u></b>
Attributable to:		
- Parent Company	(384,209)	231,989
- Non-controlling interest	<u>(39,661)</u>	<u>63,523</u>
	<b><u>(423,870)</u></b>	<b><u>295,512</u></b>

GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED DECEMBER 31, 2020  
(in thousands of euros)

	Issued capital (Note 16)	Treasury Shares (Note 16)	Share premium (Note 16)	Retained earnings (Note 17)	Translation differences (Note 18)	Interim Dividend (Note 17)	Total capital and reserves	Non-controlling interest (Note 19)	Total equity
<b>AT JANUARY 1, 2020</b>	<b>287,757</b>	<b>(2,872)</b>	<b>61,591</b>	<b>1,951,058</b>	<b>(363,222)</b>	<b>(31,601)</b>	<b>1,902,711</b>	<b>489,406</b>	<b>2,392,117</b>
Profit for the period				(151,055)			(151,055)	7,199	(143,856)
Fair value adjustments (hedge) (Note 23.b.1)				11,075			11,075		11,075
Variation in translation differences (Note 18)				(7,022)	(237,207)		(237,207)	(46,867)	(284,074)
Actuarial gains and losses							(7,022)	7	(7,015)
<b>Total comprehensive income</b>				<b>(147,002)</b>	<b>(237,207)</b>		<b>(384,209)</b>	<b>(39,661)</b>	<b>(423,870)</b>
Dividends distributed by the Parent Company (Note 17.2)				(31,612)		31,612		(7,414)	(7,414)
Dividends distributed by subsidiaries (Note 17.2 and Note 19)				(650)				873	873
Own Shares acquisition (Note 17.2)		1,523		(517)			(517)	(1,540)	(2,057)
Increased ownership interest in companies with previous control (Note 2.b)				(9,389)			(9,400)	3,342	(6,058)
Other movements						(11)			
<b>AT DECEMBER 31, 2020</b>	<b>287,757</b>	<b>(1,349)</b>	<b>61,591</b>	<b>1,761,888</b>	<b>(600,429)</b>		<b>1,509,458</b>	<b>444,133</b>	<b>1,953,591</b>

GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR PERIOD ENDED DECEMBER 31, 2019  
(In thousands of euros)

	Issued capital (Note 16)	Treasury Shares (Note 16)	Share premium (Note 16)	Retained earnings (Note 17)	Translation differences (Note 18)	Interim Dividend (Note 17)	Total capital and reserves	Non-controlling interest (Note 19)	Total equity
<b>AT JANUARY 1, 2019</b>	<b>287,757</b>	<b>(6,041)</b>	<b>61,591</b>	<b>1,829,418</b>	<b>(387,381)</b>	<b>(37,346)</b>	<b>1,747,998</b>	<b>430,997</b>	<b>2,178,995</b>
Profit for the period				212,272			212,272	54,863	267,135
Fair value adjustments (hedge) (Note 23.b.1))				4,991			4,991	4,991	4,991
Variation in translation differences (Note 18)				(9,433)	24,159		24,159	8,660	32,819
Actuarial gains and losses				(9,433)			(9,433)		(9,433)
<b>Total comprehensive income</b>				<b>207,830</b>	<b>24,159</b>		<b>231,989</b>	<b>63,523</b>	<b>295,512</b>
Dividends distributed by the Parent Company (Note 17.2)				(77,575)		5,745	(71,830)		(71,830)
Dividends distributed by subsidiaries (Note 17.2 and Note 19)								(9,696)	(9,696)
Own Shares acquisition (Note 17.2)		3,169		(874)			2,295		2,295
Business Combinations (Gestamp Etem Automotive Bulgaria, S.A.)								4,854	4,854
Other movements and adjustments from prior years				(7,741)			(7,741)	(272)	(8,013)
<b>AT DECEMBER 31, 2019</b>	<b>287,757</b>	<b>(2,872)</b>	<b>61,591</b>	<b>1,951,058</b>	<b>(363,222)</b>	<b>(31,601)</b>	<b>1,902,711</b>	<b>489,406</b>	<b>2,392,117</b>



GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE PERIOD ENDED DECEMBER 31, 2020 AND DECEMBER 31, 2019**  
(In thousands of euros)

	Note	December 31, 2020	December 31, 2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the year before taxes		<b>(166,545)</b>	<b>334,082</b>
Adjustments to profit		<b>833,947</b>	<b>737,646</b>
Depreciation, amortization and impairment of intangible assets and PP&E	10-11	612,285	567,765
Financial income	28	(15,757)	(13,494)
Financial expenses	28	181,867	172,815
Exchange rate differences		51,730	(4,184)
Share of profit/(loss) from associates - equity method	12	(1,066)	(2,060)
Change in fair value of financial instruments		4,538	14,587
Impairment and gain (loss) from disposal of financial instruments		-	(168)
Result of exposure to inflation		350	2,385
<b>TOTAL EBITDA</b>		<b>667,402</b>	<b>1,071,728</b>
Other adjustments to profit		<b>45,736</b>	<b>26,342</b>
Change in provisions	21	51,218	29,635
Grants released to income	20	(4,823)	(5,407)
Gain (loss) from disposal of intangible assets and PP&E		1,631	(32)
Unrealized exchange rate differences		(1,940)	5,665
Other incomes and expenses		(350)	(3,519)
Changes in working capital		<b>398,008</b>	<b>23,424</b>
(Increase)/Decrease in Inventories	13-14	126,791	30,239
(Increase)/Decrease in Trade and other receivables	14-15	268,723	100,575
(Increase)/Decrease in Other current assets	15	2,350	(941)
Increase/(Decrease) in Trade and other payables	25	(12,222)	(109,086)
Increase/(Decrease) in Other current liabilities		12,366	2,637
Other cash flows from operating activities		<b>(230,743)</b>	<b>(272,020)</b>
Interest paid		(178,275)	(172,751)
Interest received		15,757	13,494
Income tax received/(paid)		(68,225)	(112,763)
<b>Cash flows from operating activities</b>		<b>880,403</b>	<b>849,474</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments on investments		<b>(561,931)</b>	<b>(840,889)</b>
Group companies and associates		-	(12,000)
Addition to consolidation scope		-	4,083
Other intangible assets	10-23	(74,522)	(113,093)
Property, plant and equipment	11-23	(483,133)	(718,473)
Net change in financial assets		(4,276)	(1,406)
Proceeds from divestments		<b>64,550</b>	<b>23,418</b>
Other intangible assets	10	5,882	577
Property, plant and equipment	11	26,969	18,242
Net change of financial assets		31,699	4,599
Grants, donations and legacies received	20	17,966	6,295
<b>Cash flows from investing activities</b>		<b>(479,415)</b>	<b>(811,176)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds and payments on equity instruments		<b>(12,304)</b>	<b>(39,493)</b>
Net Change in non-controlling interests	19	1,809	(2,772)
Own shares	16	1,523	3,169
Other movements in equity		(15,636)	(39,890)
Proceeds and payments on financial liabilities		<b>1,346,389</b>	<b>129,048</b>
Issue		1,603,805	493,319
Bonds and other marketable securities		-	184,906
Interest-bearing loans and borrowings		1,172,953	308,055
Credit facilities, discounted bills, factoring and leasing		428,894	-
Other borrowings		1,958	358
Repayment of		(257,416)	(364,271)
Bonds and other marketable securities		(39,000)	-
Interest-bearing loans and borrowings		(106,074)	(105,876)
Credit facilities, discounted bills, factoring and leasing		(110,043)	(186,514)
Borrowings from related parties		1,982	(70,943)
Other borrowings		(4,280)	(938)
Payments on dividends and other equity instruments		<b>(39,231)</b>	<b>(84,288)</b>
Dividends	17-19-23	(39,231)	(84,288)
<b>Cash flows from financing activities</b>		<b>1,294,854</b>	<b>5,267</b>
<b>Effect of changes in exchange rates</b>		<b>(49,790)</b>	<b>(1,481)</b>
<b>NET INCREASE/ DECREASE OF CASH OR CASH EQUIVALENTS</b>		<b>1,646,052</b>	<b>42,084</b>

## GESTAMP AUTOMOCIÓN, S.A. AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2020

#### **Note 1. Activity of Gestamp Automoción, S.A. and Subsidiaries (hereinafter, the Group)**

GESTAMP AUTOMOCIÓN, S.A., hereinafter the "Parent Company", was incorporated on 22 December 1997. Its registered office is in Abadiano (Vizcaya, Spain), at the Lebario Industrial Estate.

Its corporate purpose is to provide advisory and financing services and a link with the automobile industry for all its subsidiaries.

Since 7 April 2017 the shares of the Parent Company are listed in the four Spanish Stock Exchanges (Madrid, Barcelona, Valencia and Bilbao).

The Parent, in turn, forms part of a group headed by its majority shareholder, Acek, Desarrollo y Gestión Industrial, S.L., and the companies forming such group perform significant commercial and financial transactions under the terms and conditions established among the parties on an arm's length basis. Intra-Group and related parties transfer prices are duly documented in a transfer price dossier as stipulated by the prevailing legislation.

All the Group's subsidiaries centre their activities around the development and manufacture of metal components for the automotive industry via stamping, assembly, welding, tailor welded blanks, the construction of tools (moulds for the manufacture of parts) and machinery and the Group also has services companies and companies engaging in the research and development of new technologies.

Most of the Group's activities are located in the Western Europe segment; the North America segment constitutes the second most significant geographic market and the Eastern Europe segment the third one (Note 9).

Group sales are concentrated across a limited number of customers due to the nature of the automotive Industry. However, the Group supplies products globally to the top 12 vehicle manufacturers by volume worldwide, and new customers are being added, in line with the Group's growth and diversification strategy.

#### COVID-19

During the first quarter of 2020, the COVID-19 virus spread worldwide and was declared a pandemic by the World Health Organization on 11 March 2020. In response, many governments imposed a quarantine situation, severe travel restrictions, as well as other public security measures, which has led to major disruptions in the economies of many countries. These measures have led to a high degree of slowdown in economic activity, so that the projections of production volumes of light vehicles for 2020 show a 16% drop with respect to the pre-pandemic estimates.

This situation meant that the Group had to close 112 plants for an average of 8 weeks, mainly between March and May.

Since the pandemic began, the Group has been implementing a contingency plan to adapt to the situation, which has included the following measures:

- Improved liquidity position. The Group has had access to new financing to strengthen its liquidity position so that, as shown in the Consolidated Statement of Cash Flow during 2020, a total net amount of 1,346 million euros of new financing has been obtained.

In addition, the Group cancelled the additional dividend for 2019 for an amount of 32.2 million euros and did not make any additional distributions in 2020.

- Access to government subsidies. The Group has made its labour costs more flexible during lockdown through labour force adjustment plans, mainly in countries such as Spain, the UK, Poland, Argentina and Slovakia. Note 6.13 describes the accounting policy on the criteria for the presentation of said subsidies.
- Operating cost improvements. The Group has made improvements in cost efficiency, working capital management and investment reduction.
- Transformation plan. Based on the new projections for the volumes of activity for the coming years, the Group has initiated a transformation plan to adapt organisational and industrial structures to the new situation. The total amount of costs recognised for this item in the Consolidated Income Statement is 90 million euros.

Also, as part of this plan, an increased number of CGUs with signs of impairment have been reviewed. Following the analysis carried out, the Group made an impairment provision of 13 million (Note 11). The impairment analysis in the current uncertainty scenario due to the COVID 19, has led to an increase in discount rates / WACC before taxes.

These amounts are presented separately in the Consolidated Income Statement.

Taking into account the Group's performance in the second half of the year and the positive effect of the measures already implemented, no significant doubts have arisen that could create uncertainty regarding the Group's continuity.

## **Note 2. Scope of Consolidation**

### **2.a Breakdown of scope of consolidation**

Appendix I lists the companies forming the scope of consolidation, together with the consolidation method used, registered office, line of business, ownership interest (direct and indirect) and the auditors of such companies.

Appendix II lists the companies that hold the indirect investments, corresponding to 31 December 2020 and 31 December 2019.

No significant subsidiaries have been excluded from the scope of consolidation.

The closing of the financial year for the companies included in the scope of consolidation is 31 December, with the exception of the subsidiaries Gestamp Services India Private, Ltd., Gestamp Automotive India Private, Ltd, Gestamp Automotive Chennai Private Ltd. and Gestamp Pune Automotive Private Ltd, whose financial years close on 31 March. However, an accounting close at 31



December was performed to include the financial statements of these companies in the Consolidated Financial Statements at 31 December 2020 and 31 December 2019.

The following German subsidiaries are included in these consolidated financial statements using the full consolidation method and are exempt from the responsibility of auditing their financial statements and publishing their own consolidated accounts for 2020 in Germany, using the additional regulation of §264 (3) German Commercial Code:

- Edscha Holding GmbH (Remscheid, Germany)
- Edscha Engineering GmbH (Remscheid, Germany)
- Edscha Kunststofftechnik GmbH (Remscheid, Germany)
- Edscha Automotive Hengersberg GmbH (Hengersberg, Germany)
- Edscha Automotive Hauzenberg GmbH (Hauzenberg, Germany)

There are no significant restrictions on the capability of accessing to or using the assets or settle the liabilities of the subsidiaries included in the scope of consolidation.

## **2.b Changes in scope of consolidation**

### **2020**

The main changes during 2020 are the following:

- On 21 December 2020, the subsidiary Gestamp San Luis de Potosí, S.A.P.I. de C.V. carried out a capital increase with a share premium, which was fully subscribed by the subsidiary Gestamp North America, Inc. and through which this company became a shareholder, with its shareholder structure being as follows:

	% shareholding	
	prior increase	post increase
Gestamp Puebla, S.A. de C.V.	0.010%	0.005%
Gestamp Cartera de Mexico, S.A. de C.V.	99.990%	0.005%
Gestamp North America, Inc.	0.000%	99.990%

- On 11 February 2020, the subsidiary Gestamp Sweden AB carried out a capital increase with a share premium, through which Gestamp Servicios S.A. became a shareholder, leaving its shareholder structure as follows:

	% shareholding	
	prior increase	post increase
Gestamp Bizkaia, S.A.	51.009%	1.000%
Gestamp Tallent, Ltd	18.966%	0.372%
Gestamp Automocion, S.A.	30.025%	93.153%
Gestamp Servicios, S.A.	0.000%	5.475%

- On 11 March 2020, the Parent Company acquired 100% of the equity interests of the subsidiary Gestamp Finance Slovakia S.R.O. by purchasing 75% from the subsidiary Edscha Holding GmbH.
- On 11 March 2020, the subsidiary Beyçelik Gestamp Kalip, A.S. acquired 30% of MPO Prodivers Rezistent, S.R.L., thereby acquiring 100% of this company.

Since the transaction involves a change in the ownership interest retaining the control, the difference between the adjustment of the non-controlling interest (1,540 thousand euros)

(Note 19) and the fair value of the consideration (2,057 thousand euros) is directly recognised as a decrease in equity (517 thousand euros) (Note 17).

- On 29 May 2020, the name of the company MPO Prodivers Rezistent, S.R.L. was changed to Gestamp Beyçelik Romania, S.R.L.

## **2019**

The main changes in the scope of consolidation during 2019 were the following:

- On 22 October 2019, the name of the company NCSG Sorocaba Industria Metalúrgica Ltda. was changed to Gestamp Sorocaba Industria de Autopeças Lda.
- On 8 July 2019, the company Edscha Automotive Components Shanghai Co., Ltd. was formed, being wholly owned by Shanghai Edscha Machinery Co., Ltd. It was included in the scope of consolidation using the full consolidation method.
- On 24 April 2019, the subsidiary Gestamp North Europe Services, S.L. acquired 51% of the share capital of Etem Automotive Bulgaria, S.A. This company was included in the scope of consolidation using the full consolidation method (Note 3). Subsequently, this company became known as Gestamp Etem Automotive Bulgaria, S.A. The net effect of this business combination is operating profit that amounted to 2,523 thousand euros (Note 3).
- Also, on 24 April 2019, the subsidiary Gestamp North Europe Services, S.L. acquired 49% of the share capital of Etem Aluminium Extrusions, S.A. for an amount of 9,500 thousand euros. This company was included in the scope of consolidation using the equity method (Note 12). Subsequently, this company became known as Etem Gestamp Aluminium Extrusions, S.A. The net effect is income under Share of Profits From Associates Accounted for Using the Equity Method from this acquisition, which amounted to 1,956 thousand euros. (Note 12.a).
- In January 2019, Edscha North America Technologies, LLC. was incorporated as a wholly-owned subsidiary of Edscha Automotive Michigan, Inc. was included in the scope of consolidation using the full consolidation method.

### **Note 3. Business combinations**

## **2020**

There were no business combinations in 2020.

## **2019**

### **Gestamp Etem Automotive Bulgaria, S.A.**

On 24 April 2019, the subsidiary Gestamp North Europe Services, S.L. signed a purchase agreement for Etem Automotive Bulgaria S.A., whereby it acquired 51% of the capital stock of that company for 2,529 thousand euros, which was paid in full at the time of acquisition. Subsequently, this company became known as Gestamp Etem Automotive Bulgaria, S.A.

The company's object is the marketing and industrialisation of post-extrusion products and activities.

The fair value of the assets and liabilities of Gestamp Etem Automotive Bulgaria S.A. obtained from the balance sheet upon consolidation is as follows:

	<b>Thousands of euros</b>
Intangible assets (Note 10)	247
Property, plant and equipment	
Plant and other PP&E (Note 11)	6,723
Inventories	
Commodities and other consumables	598
Finished and semi-finished products	804
Prepayments	26
Trade receivables	4,157
Deferred tax assets	38
Cash and cash equivalents	4,083
Other assets	10
	<hr style="border-top: 1px solid black;"/>
	16,686
	<hr style="border-top: 1px solid black;"/>
Other non-current liabilities	27
Other current liabilities	3,615
Trade accounts payable	3,138
	<hr style="border-top: 1px solid black;"/>
	6,780
	<hr style="border-top: 1px solid black;"/>
Net assets	9,906
Percentage of direct shareholding acquired	51.00%
Attributable net assets	5,052
Total consideration	2,529
Net effect of the business combination	(2,523)

The net effect of the business combination amounted to 2,523 thousand euros and was registered under the heading “Other operating income” in the Consolidated Income Statement at 31 December 2019.

This business combination also involves the incorporation of new non-controlling interests amounting to 4,854 thousand euros (Note 19).

Revenue and profit attributable to the business combination from the date of incorporation to 31 December 2019 was not significant.

The headcount of this business unit incorporated into the Group comprised approximately 124 people.

There were no significant costs associated with this transaction.

#### **Note 4. Basis of presentation**

##### **4.1 True and fair view**

The Group’s Consolidated Financial Statements at 31 December 2020 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, approved by the European Commission regulations in force at the aforementioned date.

The Consolidated Financial Statements have been prepared on the basis of the accounting records of each Group company at 31 December 2020 and 2019. Each company prepares its Financial Statements in accordance with the accounting principles and standards in force in the country in which it operates; the required adjustments and reclassifications were made in the consolidation process in order to harmonise the policies and methods used to adapt them to IFRS.

These Consolidated Financial Statements for the year ended 31 December 2020 were prepared by the Board of Directors of Gestamp Automoción, S.A. at its meeting held on 24 February 2021, to be submitted to the approval of the General Shareholders' Meeting, and it is considered that they will be approved without any changes.

The figures contained in these Consolidated Financial Statements are expressed in thousands of euros, unless otherwise indicated and, consequently, they may be rounded off.

#### 4.2 Comparison of information

In 2020, there have been no changes in the scope of consolidation that affect the comparability of the information included in these financial statements.

The following companies were incorporated in the scope of consolidation in 2019:

- Edscha Automotive Components (Shanghai), Co., Ltd.
- Edscha North America Technologies, LLC.
- Gestamp Etem Automotive Bulgaria, S.A.
- Etem Gestamp Aluminium Extrusions, S.A.

The first three companies were included in the scope of consolidation by the full consolidation method and the latter company using the equity method.

#### 4.3 Basis of consolidation

The Consolidated Financial Statements comprise the financial statements of the Parent Company and subsidiaries at 31 December 2020.

The Group controls a subsidiary if and only if the Group in turn:

- Power over the subsidiary (rights that give the ability to direct the relevant activities of the subsidiary)
- Exposure, or rights to variable returns from its involvement in the subsidiary and
- The ability to use its power over the subsidiary to affect the said variable returns.

When the Group does not hold the majority of voting rights or similar rights of the subsidiary, the Group considers all relevant facts and circumstances to assess the existence of control. This includes:

- Contractual agreements with other investors holding voting rights of the subsidiary
- Rights arisen from other contractual agreements
- Potential voting rights of the Group
- Power over relevant activities of the subsidiary

When facts and circumstances indicate changes in one or more elements determining control over a subsidiary, the Group reassesses the existence of control over such subsidiary (Note 7).

Subsidiaries are fully consolidated from the acquisition date, when the Group obtains control, and continue to be consolidated until the date when such control ceases. If the Group loses or relinquishes control of a subsidiary, the Consolidated Financial Statements include that subsidiary's results for the portion of the year during which the Group held control thereover.



The financial statements of the subsidiaries have the same closing date as the Parent Company, except for the companies mentioned in Note 2.a. The said companies have an additional closing for the financial year for their inclusion in the Consolidated Financial Statements, being elaborated with the same accounting policies in a uniform and coherent procedure.

The profit or loss of a subsidiary company is attributed to non-controlling interests, even if it involves recording a debit balance with them.

Changes in shareholding percentage that do not mean loss of control are reflected as an equity transaction. When the Group loses control of a subsidiary:

- The Group derecognises the assets (including goodwill) and liabilities of the subsidiary.
- Derecognises the carrying amount of non-controlling interests.
- Derecognises translation differences taken to equity.
- Recognises the fair value of the consideration received for the transaction.
- Recognises the fair value of any retained investment.
- Recognises any excess or deficit in the Consolidated Income Statement.
- Reclassifies the shareholding of the Parent Company in the items previously registered in Other Comprehensive Income to profit or to retained earnings, as appropriate.

#### Subsidiaries

The full consolidation method is used for companies included in the scope of consolidation, controlled by the Parent Company, in accordance with the definition included at the beginning of this section.

#### Joint ventures

Interests in joint ventures are consolidated using the equity method until the date on which the Group ceases to have joint control over the venture.

A joint venture is an arrangement whereby the parties have joint control of the rights to the net assets of the joint venture. Joint control is the contractual agreement to share control and it exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

#### Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities. Those parties are called joint operators.

The joint operations where the Group acts as joint operator are consolidated under interest in assets, liabilities, income and expenses.

#### Associates

Investments in which the Group has significant influence, but not control have been consolidated under the equity method. Significant influence is the power to participate in the financial and operating policy decisions of the subsidiary but it does not imply control or joint control on those policies. Considerations to make in order to decide whether there is significant influence are similar to those made to decide whether there is control over a subsidiary.

For the purposes of preparing these Consolidated Financial Statements, significant influence is deemed to exist in investments in which the Group, directly or indirectly, holds over 20% of the investment, and in certain instances in which the Group's holding is less than 20%, but significant influence can be clearly demonstrated.

#### Translation of financial statements of foreign companies

The assets and liabilities and income statements of companies included in the Consolidated Financial Statements, whose functional currency is different from the presentation currency, are translated to euros using the closing foreign exchange rates method as follows:

- All assets, rights, and liabilities of foreign operations are translated at the exchange rate prevailing at the closing date of the Consolidated Financial Statements.
- Income and expenses are translated using the average exchange rate, as long as that average is a reasonable approximation of the cumulative effect of the actual exchange rates prevailing at the transactions dates and except for hyperinflationary economies (Note 4.5).

The differences between the net carrying amount of equity of the foreign companies converted using historical exchange rates and including the result net of taxes from the Profit and Loss Account, reflecting the above-mentioned treatment of income and expenses in foreign currencies, and the net carrying amount of equity resulting from the conversion of goods, rights and liabilities using the exchange rate prevailing at the Consolidated Balance Sheet date, are registered as "Translation differences", with the corresponding negative or positive sign, in the "Equity" in the Consolidated Balance Sheet (Note 18).

Exchange gains and losses due to the impact of changes in the functional currency relative to the euro on foreign currency borrowings considered permanent are taken directly to equity under Translation differences, net of tax effect. Said reclassification as at 31 December 2020 represents a decrease of translation differences amounting to 153.8 million euros (increase of 15.1 million euros as at 31 December 2019).

Permanent financing transactions are considered to be intragroup loans to subsidiaries whose repayment is not foreseen and are therefore treated as equity.

At 31 December 2020, the Parent Company held own shares representing 0.07% of its share capital (0.12% at 31 December 2019) (Note 16.b). The subsidiaries do not own investments issued by the Parent Company at 31 December 2020 or at 31 December 2019.

The effect of the change in exchange rates when presenting the Consolidated Statement of Cash Flows using the indirect method has been calculated taking into account an average of the year for Cash and cash equivalents and the change in exchange rates has been applied at the end of each of the years.

#### Transactions between companies included in the scope of consolidation

The following transactions and balances were eliminated upon consolidation:

- Reciprocal receivables/payables and expenses/income relating to intra-Group transactions.
- Income from the purchase and sale of property, plant and equipment and intangible assets as well as unrealised gains on inventories, if the amount is significant.
- Intra-Group dividends and the debit balance corresponding to interim dividends recognised at the company that paid them.

#### Non-controlling interests

The value of non-controlling interests in the equity and profit (loss) for the year of consolidated subsidiaries is recognised in "Non-controlling interests" in "Equity" in the Consolidated Balance Sheet and in "Non-controlling interests" in the Consolidated Income Statement and Consolidated Statement of Comprehensive Income, respectively.

#### 4.4 Going concern

The Parent Company's directors have drawn up these Consolidated Financial Statements on a going concern basis since it considered that there are no uncertainties regarding its ability to continue as a going concern.

The Group has sufficient financing in place to fund its operations. The outstanding balance at 31 December 2020 of the Group's gross financial debt amounted to 4,821 million euros (3,468.7 million euros at 31 December 2019) (Note 4.6), of which 78% matures at over 12 months (94% at 31 December 2019). During January and February 2021, the amount drawn down on the Revolving Credit Facility of 325 million euros (Note 23.a.1.I)) and the Other short-term borrowings of 225 million euros (Note 23.c.3)) were repaid using available cash balances, which would make long-term financial debt 88% of total Gross Financial Debt.

At 31 December 2020, the Group had cash and cash equivalents totalling 2,873.4 million euros (31 December 2019: 1,818.1 million euros), and the breakdown was as follows.

	Million euros	
	2020	2019
Cash and Cash equivalents	2,304.6	658.5
Short-term investments	31.4	88.5
Undrawn credit facilities		
Maturing at over 12 months	235.0	378.5
Revolving Credit Facility	-	325.0
Maturing at under 12 months	302.4	367.6
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>2,873.4</b>	<b>1,818.1</b>

#### 4.5 Hyperinflation adjustment Argentina

Since all the inflation indicators for Argentina point to cumulative inflation in three years exceeding 100%, and there are no qualitative matters to mitigate the situation, Argentina must be considered to be a hyperinflationary economy from 1 July 2018, so IAS 29 "Financial Reporting in Hyperinflationary Economies", applies, requiring the Consolidated Financial Statements to be expressed in terms of the current measurement unit on the date of the year reported. This restatement of accounting values was carried out as follows:

- Separation and identification of all balance sheet items between monetary and non-monetary. The monetary items are cash and the balances receivable or payable in Argentine pesos, including the assets from customer contracts. The non-monetary items are intangible assets, property, plant and equipment, tooling and other similar assets. The income statement and equity items are also deemed to be non-monetary items for the purposes of calculating hyperinflation. No significant items measured at current cost were identified.
- Non-monetary assets and liabilities: These assets were recognised at cost from their acquisition date. These items are restated from their acquisition date, multiplying the carrying amount at historical cost by the index obtained as a result of dividing the index at year-end by the index at the acquisition date.
- Income and expenses: These items were restated in line with the performance of the price index from the date on which they were recognised until the period-end date.

- The Income Statement of the Argentinian companies in the Consolidated Financial Statements was translated to euros at the year-end exchange rate.
- Calculation and recognition of the deferred taxes arising from the change in accounting values with respect to tax values.

The index used for the restatement was a synthetic index. To restate the balances prior to 31 December 2016, the wholesale price index was used and, from 1 January 2017, the National Consumer Price Index was used.

The comparative figures in the Consolidated Financial Statements at 31 December 2018 with respect to the companies in Argentina are those of the previous year, that is, they are not adjusted by hyperinflation nor will they be adjusted for subsequent changes in the level of prices or exchange rates in subsequent years. This gave rise to differences between equity at the end of the 2017 and equity at the beginning of 2018 and, as an accounting policy option, these changes were presented in the Translation Differences heading.

The accumulated effect on the Consolidated Financial Statements at 31 December 2020 of the inflation adjustment made in the manner described in the previous paragraphs was as follows:

		Thousands of euros					
		31-12-20			31-12-19		
		Gestamp	Gestamp		Gestamp	Gestamp	
		Córdoba, S.A.	Baires, S.A.	Total	Córdoba, S.A.	Baires, S.A.	Total
Plant and other PP&E	(Note 11)	10,209	21,352	31,561	11,569	25,459	37,028
Intangible Assets		10	9	19	19	45	64
Deferred tax liabilities	(Note 29)	(2,555)	(5,340)	(7,895)	(2,897)	(6,376)	(9,273)
<b>EFFECT NON-MONETARY ASSETS AND LIABILITIES (Asset increase)</b>		<b>7,664</b>	<b>16,021</b>	<b>23,685</b>	<b>8,691</b>	<b>19,128</b>	<b>27,819</b>
Revenue		2,584	4,800	7,384	2,166	3,486	5,652
Cost of materials used		(1,378)	(2,733)	(4,111)	(1,648)	(2,043)	(3,691)
Personnel expenses		(768)	(1,807)	(2,575)	(359)	(851)	(1,210)
Other operating expenses		(416)	(747)	(1,163)	(277)	(667)	(944)
<b>EFFECT ON EBITDA</b>		<b>22</b>	<b>(487)</b>	<b>(465)</b>	<b>(118)</b>	<b>(75)</b>	<b>(193)</b>
Depreciation and amortisation and impairment		871	1,994	2,865	1,020	1,539	2,559
Finance income		23	26	49	(118)	71	(47)
Finance expenses		(27)	(154)	(181)	4	(140)	(136)
Exchange gains (losses)		(245)	(327)	(572)	60	(142)	(82)
Income tax		499	1,074	1,573	731	1,518	2,249
Result of exposure to inflation		365	(15)	350	1,087	1,298	2,385
<b>EFFECT ON RESULTS FOR THE YEAR</b>		<b>1,508</b>	<b>2,111</b>	<b>3,619</b>	<b>2,666</b>	<b>4,069</b>	<b>6,735</b>
<b>EFFECT ON RESERVES (Losses from previous years)</b>		<b>4,607</b>	<b>12,665</b>	<b>17,272</b>	<b>1,941</b>	<b>8,596</b>	<b>10,537</b>
<b>PRIOR EFFECT ON TRANSLATION DIFFERENCES (Liability increase)</b>		<b>(13,779)</b>	<b>(30,797)</b>	<b>(44,576)</b>	<b>(13,298)</b>	<b>(31,793)</b>	<b>(45,091)</b>
Effect non-controlling interests due allocation of translation differences		(4,303)	(9,370)	(13,673)	(3,773)	(8,914)	(12,687)
Effect non-controlling interests due allocation of income and expenses		751	1,387	2,138	625	1,219	1,844
Effect non-controlling interests due allocation of reserves		1,124	2,555	3,679	499	1,336	1,835
<b>EFFECT ON NON-CONTROLLING INTEREST (Liability increase)</b>		<b>(2,428)</b>	<b>(5,428)</b>	<b>(7,856)</b>	<b>(2,649)</b>	<b>(6,359)</b>	<b>(9,008)</b>
<b>TOTAL EFFECT ON TRANSLATION DIFFERENCES (Liability increase)</b>	(Note 18)	<b>(9,476)</b>	<b>(21,427)</b>	<b>(30,903)</b>	<b>(9,525)</b>	<b>(22,879)</b>	<b>(32,404)</b>
<b>TOTAL EFFECT ON INCOME AND EXPENSES</b>		<b>757</b>	<b>724</b>	<b>1,481</b>	<b>2,041</b>	<b>2,850</b>	<b>4,891</b>
<b>EFFECT ON RESERVES (Liabilities decrease/losses from previous years)</b>		<b>3,483</b>	<b>10,110</b>	<b>13,593</b>	<b>1,442</b>	<b>7,260</b>	<b>8,702</b>

Balance-sheet accounts with a positive sign relate to receivable balances and the negative sign to payable balances. Income statement accounts with a positive sign relate to expenses and the negative sign to income.

#### 4.6 [Alternative performance measures](#)

In addition to the indicators set out in the IFRS, the Group uses a set of alternative management indicators, since it considers that they help in the decision-making process and economic-financial situation and are widely used by investors, financial analysts and other stakeholders. These indicators are not defined by IFRS and thus may not be directly comparable with other similar indicators used by other companies.

### EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation)

EBITDA is an alternative management indicator because it provides useful information regarding the plants' ability to generate operating results (before financial expenses, taxes and amortisation), segments and the Group as a whole, and it is one of the indicators used by lenders to measure our financial capacity, on comparing it with debt.

The definition of EBITDA operating profit before amortisation, impairment and depreciation. It is calculated as the difference between two aggregates defined under IFRS, without performing any adjustments thereto.

The calculation of EBITDA at 31 December 2020 and 31 December 2019, considering the effect of the transformation plan as described in Note 1, is as follows:

	Thousand of euros	
	2020	2019
Operating profit	55,117	503,963
Amortization and impairment	612,285	567,765
<b>EBITDA</b>	<b>667,402</b>	<b>1,071,728</b>
Transformation plan operating expenses	89,892	
<b>EBITDA Pre-Transformation plan</b>	<b>757,294</b>	<b>1,071,728</b>

Pro forma EBITDA at 31 December 2020 and 31 December 2019, excluding the impact of IFRS 16 that applies from 1 January 2019, would be 577,606 thousand euros and 984,452 thousand euros, respectively.

The calculation of EBITDA at 31 December 2020 and 31 December 2019, based on the information contained in the Consolidated Statement of Cash Flow was as follows:

	Thousands of euros	
	2020	2019
<b>Result before taxes</b>	<b>(166,545)</b>	<b>334,082</b>
<b>Adjustments to profit</b>	<b>833,947</b>	<b>737,646</b>
Depreciation and amortization of assets	612,285	567,765
Financial incomes	(15,757)	(13,494)
Financial expenses	181,867	172,815
Exchange rate differences	51,730	(4,184)
Share of profit/(loss) from associates - equity method	(1,066)	(2,060)
Change in fair value of financial instruments	4,538	14,587
Impairment and gains or losses on disposals of financial instruments	-	(168)
Result of exposure to inflation	350	2,385
<b>TOTAL EBITDA</b>	<b>667,402</b>	<b>1,071,728</b>

### EBIT (Earnings Before Interest and Taxes)

EBIT is the Operating Profit. It is calculated before financial expenses and taxes.

### CAPEX

The Group uses the CAPEX as an alternative management indicator, since it provides significant information on the investment decisions performed by the Group, and it is also related with the financing of operations.



CAPEX is calculated by adding the additions to Other intangible assets and to Property, plant and equipment.

CAPEX at 31 December 2020 and 31 December 2019 is as follows (Notes 10.b and 11):

	Thousand of euros	
	2020	2019
Additions to Other intangible assets	76,925	108,075
Additions to Property, plant and equipment	483,483	714,440
	<b>560,408</b>	<b>822,515</b>

### Net Financial Debt

Net Financial Debt provides useful information with regard to the level of debt held by the Group related with compliance with financial obligations (“covenants”), and the changes therein relate to cash generation before lending transactions more directly than the changes in gross debt.

The calculation of the Net Financial Debt at 31 December 2020 and 31 December 2019 is as follows (Note 23):

	Thousands of euros	
	2020	2019
Interest-bearing loans and borrowings and debt issues	3,971,129	2,864,235
Finance lease	51,993	59,029
Borrowings from related parties	125,287	132,442
Other borrowings	245,257	20,368
Operating lease (IFRS 16)	427,343	392,631
<b>Gross Financial Debt (Note 23 and Note 4.4)</b>	<b>4,821,009</b>	<b>3,468,705</b>
Current financial assets	(31,362)	(88,541)
Cash and cash equivalents	(2,304,633)	(658,581)
<b>Subtotal</b>	<b>(2,335,995)</b>	<b>(747,122)</b>
<b>Net financial debt</b>	<b>2,485,014</b>	<b>2,721,583</b>

The proforma net financial debt as at 31 December 2020 and 31 December 2019, without the impact of the application of IFRS 16, would be 2,057,671 thousand euros and 2,328,952 thousand euros, respectively.

### **Note 5. Changes in accounting policies**

#### **a) Standards and interpretations approved by the European Union and applied for the first time during the period**

##### Revised version of the IFRS Conceptual Framework

The revised Conceptual Framework sets out a number of fundamental concepts that guide the IASB in developing standards, and helps to ensure that standards are consistent and that similar transactions are treated in the same way. In addition, it also assists entities in developing their accounting policies when no specific standards apply to a transaction.

The revised Conceptual Framework includes a new chapter on measurement, improves definitions and guidance, and clarifies more important areas such as prudence and measurement uncertainty.

#### Amendments to IAS 1 and IAS 8 – Definition of material

These amendments clarify this definition and include guides on how it must be applied. Also, the explanations accompanying this definition were improved and it was ensured that it is consistent in all the standards. These amendments have not had any significant impact on the consolidated financial statements.

#### Amendments to IFRS 7, IFRS 9 and IAS: Benchmark rate reform

These amendments provide a number of exceptions, which apply to all hedging relationships that are directly affected by the benchmark rates reform. A hedging relationship is affected if said reform gives rise to uncertainty about the timing and/or amount of cash flows tied to the interest rate for both the hedged item and the hedging instrument. These amendments have not had any significant impact on the consolidated financial statements.

#### Amendments to IFRS 3 - Business combinations

The amendments change the definition of a business in IFRS 3 to determine whether a transaction must be recognised as a business combination or as the acquisition of a group of assets.

The new definition of business emphasises that the output of a business is to provide goods and services to customers, which generate investment income (such as dividends or interest) or generate other income from ordinary activities.

#### Amendments to IFRS 16 Concessions of Income Related to COVID-19

These modifications allow, as a practical solution, for the lessee to be able to choose not to recognise the rent concessions, derived from COVID-19, as a modification of the lease. If the lessee so chooses, the lessee may recognise the lease using the criteria in IFRS 16 Leases as if the lease were not a modification.

This practical solution can only be applied to rent concessions that have been a direct consequence of COVID-19. This requires certain conditions to be met.

The Group has not been subject to lease arrangement renegotiations.

### **b) Standards and interpretations issued by the IASB, but not applicable in this year**

#### Amendments to IAS 1 Presentation of Financial Statements: classification of financial liabilities as current or non-current

In January 2020, the IASB issued its amendments to paragraphs 69-76 of IAS 1 Presentation of Financial Statements to clarify the requirements to be applied in classifying liabilities as current or non-current. In particular, it clarified:

- What it means to have the right to defer settlement.
- That the right to defer settlement must exist at the close of the reporting period.
- That the classification is not altered by the likelihood of exercising the right to defer.
- Only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

These amendments are effective for periods beginning on or after 1 January 2023 and should be applied retroactively.

#### Amendments to IAS 16 Property, Plant and Equipment: Proceeds before intended use

These amendments, issued by the IASB in May 2020, prohibit the deduction from the acquisition cost of assets proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by Management. Instead, these amounts will be recorded in the income statement.

These amendments are effective for periods beginning on or after 1 January 2022. The Group does not expect any significant impact from these changes.

#### Amendments to IAS 37 – Cost of fulfilling a contract

These amendments, issued by the IASB in May 2020, detail the costs that entities should include when assessing whether a contract is onerous or loss-making. The amendments propose a "direct cost approach".

These amendments are effective for periods beginning on or after 1 January 2022.

#### 2018-2020 annual improvements: IFRS 9 Financial Instruments: fees in the "10% test".

This amendment clarifies which fees are to be considered when analysing whether changes in the terms of a financial liability are substantially different from the original financial liability. These fees include only those paid or received between the lender or the borrower, including those paid or received by either on behalf of the other party.

This amendment is effective for the periods beginning on 1 January 2022 or later, and early application is permitted.

#### Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Benchmark rate reform - phase 2

In August 2020, the IASB published amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Benchmark interest rate reform - phase 2. These amendments provide temporary relief for financial reporting while interbank offered rates (IBORs) are replaced by risk-free rates (RFRs).

## **Note 6. Summary of significant accounting policies**

### **6.1 Foreign currency transactions**

#### Functional and presentation currency

Line items included in the financial statements of each entity are valued using the functional currency of the primary economic environment in which it operates.

The Consolidated Financial Statements are presented in thousands of euros, and the Euro is the Group's presentation currency and the functional currency of the Parent Company.

#### Transactions in foreign currency other than the functional currency of each company

Transactions in foreign currencies different to the functional currency of each company are translated to the Group's functional currency at the exchange rate prevailing at the date of the transaction. Exchange gains and losses arising on the settlement of these transactions or on translating foreign

currency denominated monetary assets and liabilities at closing rates are recognised in the Consolidated Income Statement.

## 6.2 Property, plant and equipment

Property, plant and equipment is carried at either acquisition, transition cost to IFRS (1 January 2007), or production cost, including all the costs and expenses directly related with assets acquired until ready for use, less accumulated depreciation and any impairment losses. Land is not depreciated and is presented net of any impairment charges.

Acquisition cost includes:

- Purchase price.
- Settlement discounts that reduce the value of the asset.
- Directly attributable costs incurred to ready the asset for use.

Prior to the date of transition to international accounting standards (1 January 2007), certain Group companies remeasured certain tangible assets under various legal provisions (RDL 7/1996; Norma foral del Gobierno vasco 6/1996 and various international legal provisions), the amount of these remeasurements being considered as part of the cost of the assets in accordance with IAS 1.

At the date of transition to EU-IFRS (1 January 2007), all property, plant and equipment was measured at fair value at that date on the basis of a report by an independent expert, which led to a revaluation of the Group's assets (Note 11).

The carrying value of Property, plant and equipment acquired by means of a business combination is measured at its fair value, determined by an independent expert at the moment of its incorporation into the Group (Note 6.3).

Specific spare parts: certain major parts of some items of Property, plant and equipment may require replacement at irregular intervals. The cost of these parts is capitalised when the part is replaced and depreciated over their estimated useful lives. The net carrying amount of replaced parts is retired with a charge to income when the replacement occurs.

Ordinary repair or maintenance work is not capitalised.

An item of Property, plant and equipment is retired upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on retirement of the asset (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is included in the Consolidated Income Statement in the year in which the asset is retired.

As permitted under IAS 23, borrowing costs directly attributable to the acquisition or development of a qualifying asset - an asset that takes a substantial period to be ready for its intended use - are capitalised as part of the cost of the respective assets. The amount of these capitalised finance costs is not significant.

Annual depreciation is calculated using the straight-line method based on the estimated useful lives of the various assets.

The estimated useful lives of the various asset categories are:

	Estimated useful life (years)	
	2020	2019
Buildings	17 to 35	17 to 35
Plant and machinery	3 to 20	3 to 20
Other plant, tools and furniture	2 to 10	2 to 10
Other PP&E items	4 to 10	4 to 10

The estimated assets' useful lives are reviewed at each financial year end, and adjusted prospectively if revised expectations differ significantly from previous estimates.

No significant residual values at the end of useful lives are expected.

When the net carrying amount of an individual item from Property, plant and equipment is higher than their recoverable value, impairment is considered and the value of the item is decreased to the recoverable value.

### 6.3 Business combinations and goodwill

#### Business combinations

Business combinations are accounted for using the acquisition method. The acquisition cost is the sum of the total consideration transferred, measured at fair value at the acquisition date, and the amount of non-controlling interest of the acquired company, if any.

For each business combination, the Group measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition costs incurred are registered under the heading Other operating expenses in the Consolidated Income Statement.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date. This includes the separation of the implicit derivatives of the main contracts of the acquired company.

#### Consolidation goodwill

Goodwill acquired in a business combination is initially measured, at the time of acquisition, at cost, that is, the excess of the total consideration paid for the business combination over the Parent Company's interest in the net fair value of the identifiable assets, liabilities, and contingent liabilities of the acquired business.

For companies whose functional currency is different from the presentation currency, the value of the goodwill recognised is updated using the rate of exchange prevailing at the Consolidated Balance Sheet date, recognising in Translation differences the differences between beginning and ending balances, according to IAS 21, considered to be belonging to the acquired business assets.

If the Parent Company's interest in the net fair value of the identifiable acquired assets, assumed liabilities, and contingent liabilities exceeds the cost of the business combination, the Parent Company reconsiders the identification and measurement of the assets, liabilities, and contingent liabilities of the acquired company, as well as the measurement of the cost of the business combination (even non-monetary) and recognises any excess that continues to exist after this reconsideration in the Consolidated Income Statement.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units or groups of Cash-Generating Units (Note 6.7) expected to benefit from the business combination's synergies, irrespective of any other Group assets or liabilities assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the Cash-Generating Unit or groups of Cash-Generating Units to which the goodwill relates. If the recoverable amount of the Cash-Generating Unit or Group of Cash-Generating Units is less than the carrying amount, the Group recognises an impairment loss (Note 6.7).

#### 6.4 Investments in associates

The Group has equity interests in associates, which are companies over which the Group has significant influence.

The Group records its interest in associates using the equity method.

According to this method, the investment in an associate is initially recorded at cost. From the acquisition date on, the carrying amount of the investment is adjusted to reflect the changes of the investor's share of the net assets of the associate. The goodwill related to the associate is included in the carrying amount of the investment and it is not amortised and no related impairment test is performed.

The share of the Group in profits of the associate's operations is reflected in the Consolidated Income Statement. When there has been a change recognised directly in equity by the associate, the Group recognises its share of this change, when applicable, in the Consolidated Statement of Changes in Equity. Non-realised gains or losses resulting from transactions between the Group and the associate corresponding to the share of the Group in the associate are eliminated.

The share of the Group in profits of the associate is reflected directly in the Consolidated Income Statement and it represents profit after taxes and non-controlling interests existing in subsidiaries of the associate.

The financial statements of the associate are prepared for the same period as the Group; the required adjustments and reclassifications have been made in consolidation in order to harmonise the policies and methods used by the Group.

After using the equity method, the Group decides if impairment losses on the investment in the associate have to be recognised. At the closing date the Group considers if there are evidences of impairment of the investment in the associate. If this is the case, the Group calculates the amount of the impairment loss as the difference between the recoverable amount of the associate and its carrying amount and recognises this amount under the heading Share in profit or loss of companies accounted for using the equity method in the Consolidated Income Statement.

When the significant influence of the Group in the associate ceases, the Group recognises the investment at its fair value. Any difference between the carrying amount of the associate at the moment of loss of significant influence and the fair value of the investment plus the income for sale, is recognised in the Consolidated Income Statement.



## 6.5 Other intangible assets

Other intangible assets acquired by the Group are measured at cost less accumulated amortisation and any accumulated impairment losses.

An intangible asset is recognised only if it is probable that it will generate future benefits for the Group and that its cost can be reliably measured.

### Research and development costs

Research costs are expensed as incurred.

Development expenditure is capitalised when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- Its intention to complete and its ability to use or sell the resulting asset.
- Its ability to use or sell the intangible asset.
- The economic and commercial profitability of the project is reasonably ensured.
- The availability of adequate technical and financial resources to complete and to use or sell the resulting asset.
- Its ability to measure reliably the expenditure during development.

Capitalised development expenses are amortised on a straight-line basis, over the period in which it is expected to obtain income or profits from the aforementioned project, which does not exceed 6 years.

At 31 December 2020 and 31 December 2019, no intangible assets corresponding to development expenses had been capitalised more than one year prior (with respect to those dates) and that had not begun to be amortised on those dates.

### Concessions, patents, licences, trademarks, et al.

These intangible assets are initially measured at acquisition cost. They are assessed as having a finite useful life and are accordingly carried at cost net of accumulated amortisation. Amortisation is calculated using the straight-line method, based on the estimated useful life, in all instances less than 5 years; except the GESTAMP brand which is considered an asset of indefinite useful life.

### Software

Software is measured at acquisition cost.

Software acquired from third parties, recognised as assets, is amortised over its estimated useful life, which does not exceed 5 years.

IT maintenance costs are expensed as incurred.

## 6.6 Financial assets

Following the IFRS 9's criteria, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Debt financial asset instruments are subsequently measured at fair value through profit or loss (FVPL), amortised cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the "SPPI criterion").

The new classification and measurement of the IFRS 9 is as follows:

- instruments at amortised cost for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion.
- instruments at FVOCI, with gains or losses recycled to profit or loss on derecognition.

The Group's financial instruments included in non-current financial assets, trade and other receivables, other current assets and current financial investments are recognised at amortised cost, taking into account the business model and the evaluation of the SPPI.

#### Investments accounted for using the equity method

Investments in associates or joint ventures, companies in which the Group has significant influence, are accounted for using the equity method (Note 6.4).

#### Derecognition of financial instruments

The Group retires a transferred financial asset from the Consolidated Balance Sheet when it has transferred in full its rights to receive cash flows from the asset or, retaining these rights, when the Group has assumed a contractual obligation to pay the cash flows to the transferees, and the Group has transferred substantially all the risks and rewards of ownership of the asset.

If the entity has retained substantially all the risks and rewards of ownership of the transferred asset, the entity does not retire the transferred asset from its balance sheet and recognises a financial liability for the consideration received. This financial liability is subsequently measured at amortised cost. The transferred financial asset continues to be measured using the same criteria as prior to the transfer. In subsequent periods, the Group recognises any income on the transferred financial asset and any expense incurred on the financial liability in the Consolidated Income Statement.

### 6.7 Impairment losses

#### Impairment of non-financial assets

The Group assesses at each reporting date whether there is any indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount as either the group of assets' or cash-generating unit's fair value less costs to sell, or its value in use, whichever is higher.

The indicators of impairment are analysed at two levels. One, at the level of the Group's CGUs and the other for the corporate development expense intangible assets (R&D projects). It is considered that a CGU has signs of impairment if it is observed that its level of profitability is significantly below the average return of the segment and of the Group for an on-going period. Other qualitative factors that may affect the CGU are also considered. In the case of the R&D Projects, a significant variation in actual income with regard to expected income in the business plans estimated at the start of the project represent a sign of impairment.

A cash-generating unit (CGU) is the smallest identifiable group of assets that generates cash flows that are largely independent of the cash inflows from other assets. The smallest identifiable group of assets designated are the operating plants or the individual companies. However, there are specific cases in which the CGU does not correspond directly to the plants for various reasons, because the trading company groups together several plants that are close to each other or managed as a unit (France, UK, Brazil), or because at a country level there is significant operational integration (Mexico, USA).

When the carrying amount of a group of assets or CGU exceeds its recoverable amount, an impairment loss is recognised and its carrying amount is decreased to its recoverable amount.

Impairment losses with respect to CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating units and, then, to proportionally reduce the carrying amount of the assets of the CGU unless, based on a review of the individual assets, it is considered that their fair value less costs to sell is higher than their carrying amount.

When assessing value in use, estimated future cash-flows are discounted at present value by using a pre-tax discount rate that reflects current market valuations of money and risks of the asset. For calculating the fair value of the asset less costs to sell, recent transactions are considered and if they cannot be identified, a proper valuation method is used. These calculations are based on several considerations, market prices and other available indicators of the fair value.

The calculation of impairment is based on detailed budgets and provisions individually prepared for each CGU to which the asset is allocated. These budgets are, to a significant extent, drawn up on the basis of external sources from consultants on vehicle production and sales. The forecasts cover a five-year period and after that it applies a long-term growth rate using for estimating future cash-flows.

The impairment losses from continued operations, including impairment of inventories, are registered in the Consolidated Income Statement in the expense headings related to the function of the impaired asset.

For all assets except goodwill, an assessment is made every year to see if there is evidence that the impairment registered in previous years has been reduced or has disappeared. In such case, the Group estimates the recoverable value of the asset or the CGU.

An impairment loss recognised in previous years is reversed against the Consolidated Income Statement, if there has been a change in the assumptions used to determine the asset's recoverable amount. The restated recoverable amount of the asset cannot exceed the carrying amount that would have been determined had no impairment loss been recognised.

The following assets present specific characteristics when assessing their impairment:

#### Consolidation goodwill

Goodwill is tested for impairment at year-end and when circumstances indicate that the carrying amount may be impaired.

The impairment test for the goodwill assesses the recoverable value of each CGU allocated to it. If the recoverable value of the CGU is lower than its carrying amount, an impairment loss is registered.

Goodwill impairment losses cannot be reversed in future periods.

#### Intangible assets.

At year-end an impairment test is performed on intangible assets with indefinite useful lives, both at the individual level and at the CGU level, as appropriate, and when circumstances indicate that the carrying amount may be impaired.

#### Impairment of financial assets

The reduction in the fair value of financial assets that has been recognised directly in equity when there is objective evidence of impairment must be recognised in the Consolidated Income Statement for the year. The cumulative loss recognised in the Consolidated Income Statement is measured as the difference between the acquisition cost and current fair value.

Once an equity investment has been impaired, any increase in value is registered in “Other comprehensive income” with no effect on the profit or loss for the year.

In the case of debt instruments classified, if the fair value of an impaired debt instrument subsequently increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the Consolidated Income Statement, the impairment loss can be reversed through the Consolidated Income Statement.

The recoverable amount of held-to-maturity investments and loans and receivables carried at amortised cost is calculated as the present value of the expected future cash flows discounted at the original effective interest rate. The carrying amount of the asset will be reduced through the provision account. The amount of the loss is recognised in the Consolidated Income Statement for the year. Current investments are not discounted to present value.

Impairment losses on loans and receivables carried at amortised cost are reversed if the subsequent increase in the recoverable amount can be objectively related to an event occurring after the impairment loss was recognised.

#### 6.8 Assets and liabilities held for sale and discontinued operations

Assets and liabilities included in a disposal group whose recovery is expected through sale and not through continued use are included in this category. These assets are valued at lower cost between carrying amount and fair value less costs for sale.

Discontinued operations are reflected in the Consolidated Income Statement separately from the revenue and expenses from continued operations. They are reflected in a line as profit after taxes from discontinued operations.

At 31 December 2020 and 31 December 2019, no assets or liabilities were recognised under this heading or profits/losses from discontinued operations.

#### 6.9 Trade and other receivables

Accounts receivable from customers are measured in the accompanying Consolidated Balance Sheet at their nominal value.

Discounted bills pending maturity at year end are included in the accompanying Consolidated balance sheet under “Trade receivables,” with a balancing entry in “Interest-bearing loans and borrowings”. The balances transferred to banks as Non-Recourse Factoring are not included in “Trade receivables” since all risks related to them, including bad and past-due debt risks, have been transferred to the bank (Note 15.a).

The Group recognises impairment allowances in order to cover the expected loss model.

#### 6.10 Inventories

Inventories are valued at the lower of acquisition or production cost and net realisable value.

Cost includes all expenses derived from the acquisition and transformation of inventories, including any other expenses incurred to bring them to their present condition and location.

Inventories have been valued using the average weighted cost method.

When inventories are deemed impaired, their initially recognised value is written down to net realisable value (selling price less estimated costs of completion and sale).

### 6.11 [Revenue recognition and assets from contracts with customers](#)

#### Recognition of revenue from customer contracts

The Group earns its revenue primarily from the sale of welded and stamped parts, as well as the construction of toolings. These goods and services are delivered to customers over time and not necessarily together.

The policy of recognising the Group's income is determined by the five-stage model proposed by IFRS 15 Revenue from Contracts with Customers.

#### *Identification of the contract with the customer*

The Group's contracts are normally supply agreements for an unspecified number of orders and thus the term of each contract depends on the orders received.

The contracts are identified with the orders received from the customer, since this is when rights and obligations are created between both parties to produce the parts or build the tools.

#### *Identification of the performance obligations*

Given that control of manufactured toolings is transferred to the customer, the toolings are considered contract's goods and services. Manufacturing of the toolings as well as the parts necessary to ensure their correct operation is a single performance obligation.

Once the toolings are manufactured, each part requested by a customer corresponds to a separate performance obligation and thus, for practical purposes, they are not considered a series, given the short duration of the orders and the little time needed to produce the parts.

Taking into account the just in time production model with customers, at year-end, there were no significant performance obligations pending execution in relation to parts.

#### *Determination of the price of the transaction and its allocation to the performance obligations*

The price agreed in the orders represents the independent sales price of the goods and services being transferred in the contracts. The Group negotiates concessions or incentives that are discounted from expected future revenue despite the fact that the number of parts ordered with each contract is not known. Some orders have variable consideration for the reviews of prices under negotiation, which are estimated based on the expected probability method and, where appropriate, they would be limited to the amount that is highly unlikely to be reversed in the future.

On certain occasions, advance payments of future discounts are applicable to the agreement, which are normally paid at the beginning of the project to the customer. This payment complies with the definition of the asset, to the extent that the associated contracts (resource criteria controlled by the company) are going to generate profit (probability criteria). Once the manufacture of the tools has been completed and the parts manufacturing phase has commenced, it is highly unlikely that the customer will cancel the project and choose another supplier, because it would mean a significant delay in its production and therefore it is probable that profit will be generated. Furthermore, it is highly probable that the payment will be recovered through sales of future parts and it is probable that economic benefits will be generated.

This payment is normally associated with the parts supply agreement to the customer, which will determine the time criteria to transfer the asset to results for the advance payment.

The accounting treatment afforded is to recognise this asset for the payment made early and to transfer it to results as reduced income when the goods and services expected in the agreement are delivered, that is, for the number of parts supplied to the customer. Given that the agreement term with the customer normally exceeds one year and the payment is made at the beginning of the project, the amount paid reflects the current net value of the asset to be recognised, hence, in subsequent periods, the corresponding finance income must accrue.

#### *Recognition of income*

As the parts are made, goods are created that have no alternative use and the related orders generate rights and obligations wherein control of the parts is transferred to the customer.

Since the control of toolings and parts is transferred over time, progress is measured using the work-in-progress evaluation method. The method that best represents the progress of the Group's activities is costs incurred as a percentage of total estimated costs. If the results of a contract cannot be reliably estimated, revenue is recognised only to the extent that the expenses recognised are recoverable.

Based on historical experience and the Group's current estimates, except in extraordinary circumstances, no losses will be generated upon final settlement of the manufacturing contracts for tools under construction. Exceptionally, should it be deemed likely that costs will not be recovered, an onerous contract provision would be recognised.

#### *Other aspects of the income recognition policy*

There are no incremental direct costs for obtaining contracts. Performance obligations representing a guarantee do not exist either.

A residual part of income corresponds to access licences (royalties). They are recognised in line with the accrual principle.

#### Assets from contracts with customers

Customer advances corresponding to tooling construction contracts reflect billing milestones and not necessarily the stage of completion of the tooling construction. Assets from contracts with customers includes the balancing entry for income recognised according to the stage of completion method for which the customer was not invoiced, deducting the customer advances received. These Assets from contracts with customers are presented at contract level with a customer.

#### Interest, royalties and dividends

Interest revenue is recognised as interest accrues taking into account the effective return of the asset (using the effective interest method, i.e., the rate that makes discounted future cash receipts through the expected life of the financial instrument equal to the initial carrying amount of the asset).

Dividends received from associates, integrated by the equity method, are recognised in results on an accrual basis.



### 6.12 [Cash and cash equivalents](#)

Cash and cash equivalents comprise cash on hand and demand deposits, together with short-term, highly liquid investments that are subject to an insignificant risk of changes in value. An investment is considered a cash equivalent when it has a maturity of three months or less from the date of acquisition or establishment.

### 6.13 [Government grants](#)

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Grants related to assets are recognised as Deferred Income in the Consolidated Balance Sheet at the amount granted. The grant will be recognised in the Consolidated Income Statement as the subsidised asset is amortised.

Grants received are presented as a reduction of the related expenditure.

### 6.14 [Financial liabilities \(trade and other payables and borrowings\)](#)

Financial liabilities are initially recognised at fair value, net of transaction costs, except financial liabilities at fair value through consolidated profit and loss. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, measured as the difference between their cost and redemption value, using the effective interest rate method.

Liabilities maturing in less than 12 months from the Consolidated Balance Sheet date are classified as current, while those with longer maturity periods are classified as non-current.

A financial liability is retired when the obligation under the liability is discharged or cancelled or expires.

### 6.15 [Provisions and contingent liabilities](#)

Provisions are recognised when the Group has a current obligation (legal or constructive) arising as a result of a past event and it is probable that the Group will have to dispose of resources as required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each Consolidated Balance Sheet closing date and are adjusted to reflect the current best estimate of the liability.

Provisions for personnel restructuring are recorded for the expenses necessarily incurred in restructuring and for those not associated with the entity's normal activities.

Provisions for personnel restructuring are only recognised when there is a formal plan that identifies:

- the affected business;
- the main locations affected;
- the employees to receive redundancy payments;
- the outlays to be incurred;
- when it will be implemented;
- and it is also necessary that a real expectation has been generated that the restructuring will be carried out and that those affected have been informed.

The provisions are determined by discounting expected future cash outlays using the pre-tax market rate and, where appropriate, the risks specific to the liability. This method is only applied if the effects are significant. When discounting is used, the increase in the provision due to the passage of time is recognised as a financial expense.

Contingent liabilities are potential obligations that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Group, as well as present obligations arising from past events, the amount of which cannot be reliably estimated or whose settlement may not require an outflow of resources. These contingent liabilities are only subject to disclosure and are not accounted for.

#### 6.16 Employee benefits

The Group has assumed pension commitments for some companies located in Germany and France.

The Group classifies its pension commitments depending on their nature in defined contribution plans and defined benefit plans. Defined contribution plans are post-employment benefit plans under which the company pays fixed contributions into a separate entity (insurance company or pension plan), and will have no legal or constructive obligation to pay further contributions if the separate company does not carry out its assumed commitments. Defined benefit plans are post-employment benefit plans other than defined contribution plans.

##### Defined contribution plans

The Group carries out predetermined contributions into a separate entity (insurance company or pension plan), and will have no legal or implicit obligation to pay further contributions if the separate company does not have enough assets to attend employee benefits related to their services rendered in current and previous years.

The contributions made to defined contribution plans are recognised Consolidated Income Statement according to the accrual principle.

The amount posted in the Consolidated Income Statement was 2.7 million euros at 31 December 2020 (4.1 million euros at 31 December 2019) (Note 27.b)). This figure corresponds to contributions made in the United Kingdom.

##### Defined benefit plans

For defined benefit plans, the cost of providing these benefits is determined separately for each plan using the projected unit credit method. The actuarial gains and losses are recognised in Other Comprehensive Income when incurred. In subsequent years, these actuarial gains and losses are registered as equity, and are not reclassified to profit and loss.

The amounts to be recognised in profit and loss are:

- Current service cost.
- Any past service cost and gains or losses upon payment.
- Net interest on the net defined benefit liability (asset), which is determined by applying the discount rate to the net defined benefit liability (asset).

The past service costs will be recognised as expenses at the earlier of the following dates (i) in the period when the plan is amended or curtailment occurs (ii) when the Group recognises related restructuring costs or benefits of termination.

The defined benefit liability (asset) is the deficit or surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The rate used to discount post-employment benefit obligations shall be determined by reference to market yields at the end of the reporting period on high quality corporate bonds.

The deficit or surplus is:

1. The present value of the defined benefit obligation.
2. Less the fair value of plan assets with which obligations are directly cancelled.

Plan assets comprise assets held by a long-term employee benefit fund, and qualifying insurance policies. These assets are not available to the reporting entity's own creditors and cannot be returned to the reporting entity. Fair value is based on market price and in case of stock market values, it corresponds to published prices.

There are defined benefit schemes in Germany and France.

#### Indemnities

Indemnities to pay to employees dismissed through no fault of their own are calculated based on years of service. Any expenses incurred for indemnities are charged to the Consolidated Income Statement as soon as they are known.

#### 6.17 Leases

In accordance with IFRS 16, the Group records lease transactions as follows:

##### Rights of use

The Group recognises rights of use at the commencement of the lease, i.e. the date on which the underlying asset is available for use. The rights of use are measured at cost, less accumulated amortisation and impairment losses, and they are adjusted due to any changes in the measurement of the associated lease liabilities. The initial cost of the rights of use includes the amount of the lease liabilities recognised, the initial direct costs and the lease payments made prior to the start of the lease. The incentives received are discounted at the initial cost. Unless the Group is reasonably certain of obtaining the ownership of the leased asset at the end of the lease period, the rights of use are amortised on a straight-line basis at the lower of the estimated useful life and the lease term. Rights of use are subject to the impairment analysis.

##### Lease liabilities

At the start of the lease, the Group recognises lease liabilities for the current value of the lease payments made during the lease period. Lease payments include fixed payments (including fixed payments in essence), less lease incentives, variable payments that depend on an index or a rate and the amounts expected to be paid to guarantee the residual value. Lease payments also include the exercise price of a purchase option if the Group has reasonable certainty that it will exercise such option and pay penalties to terminate the lease, if the lease term reflects the exercise by the Group of the option to terminate the lease. Variable lease payments that do not depend on an index or rate are recognised as expenses in the period in which the event or condition occurs triggering the payment.

When the present value of lease payments is calculated, the Group uses the incremental interest rate at the start of the lease if the implicit interest rate in the lease cannot be determined easily. After the commencement date, the amount of the lease liabilities is increased to reflect cumulative interest and

it is reduced as a result of the lease payments made. Furthermore, the lease liability will be measured again in the event of a modification, a change in the lease term, a change in lease payments fixed in essence or a change in the assessment to purchase the underlying asset. The liability is also increased in the event of a change in future lease payments arising from a change in the index or rate used to determine these payments.

#### Short-term leases and leases of low value assets

The Group applies the exemption from recognising the short-term lease to its machinery and equipment leases that have a lease term of 12 month or less from the commencement date and that do not have a purchase option. It also applies the exemption from recognising low value assets to assets considered to have a low value. Lease payments in short-term leases and leases of low value assets are recognised as expenses on a straight-line basis during the lease period.

#### Criteria applied when determining the lease term for contracts with a renewal option.

The Group determines the lease period as the non-cancellable term of a lease, to which optional periods are added to extend the lease, if it is reasonably certain that such option will be exercised. It also includes the periods covered by the option to terminate the lease, if it is reasonably certain that such option will not be exercised.

The Group has the option, under some of its agreements, to lease assets for additional terms to the non-cancellable period. The Group is assessing whether it is reasonably certain that the option to renew will be exercised. That is, it considers all the pertinent factors that create an economic incentive to renew. After the commencement date, the Group re-assesses the lease term if there is a significant event or change in circumstances under its control affecting its ability to exercise or not exercise the renewal option. The Group included the renewal period as part of the lease term for offices, factories and warehouses due to the importance of these assets for its operations.

### 6.18 Income tax

The income tax recognised in the Consolidated Income Statement includes current and deferred income tax.

The income tax expense is recognised in the Consolidated Income Statement except for current income tax relating to line items in equity, which is recognised in equity and not in the income statement.

#### Current tax expense

Current tax expense is the amount of income taxes payable in respect of the taxable profit for the year and is calculated based on net profit for the year before deducting tax expense (accounting profit), increased or decreased, as appropriate, by permanent and temporary differences between accounting and taxable profit as provided for in prevailing tax legislation.

#### Tax credits

The carry forwards of unused tax credits and tax losses are recognised as a reduction in tax expense in the year in which they are applied or offset, unless there is reasonable doubt as to their realisation, in which case they are not capitalised and are considered as a decrease in income tax expense in the year in which they are applied or offset.

#### Temporary differences

Deferred tax liabilities: a deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and which, at the time of the transaction, affects neither the accounting nor the fiscal result.

Deferred tax assets: a deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and which, at the time of the transaction, affects neither the accounting nor the fiscal result.

#### 6.19 Derivative financial instruments

The Parent Company has arranged cash flow (interest rate) hedges through entities that operate on organised markets. These instruments are used to hedge exposure to fluctuations in floating interest rates on a portion of the bank loans granted to the Parent Company and on a portion of expected future borrowings. In 2020, an active management process has been carried out relating to them.

These financial derivatives hedging cash flow are initially recognised in the Consolidated Balance Sheet at acquisition cost and, subsequently, any impairment loss allowances required are recognised to reflect their market value from time to time.

Any gains or losses arising from changes in the market value of derivative financial instruments in respect of the ineffective portion of an effective hedge are taken to the Consolidated Income Statement, while gains or losses on the effective portion are recognised in “Effective hedges” within “Retained earnings” with respect to cash flow hedges. The cumulative gain or loss recognised in equity is taken to the Consolidated Income Statement when the hedged item affects consolidated profit or loss or in the year of disposal of the item. The extension options are not recognised for accounting purposes as hedges; accordingly, the change in value is recognised directly in the Consolidated Financial Statements.

Derivatives are recognised as assets when the fair value is positive and as liabilities when the fair value is negative.

Hedges of net investments in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, shall be accounted for similarly to cash flow hedges.

The ineffective portion of the exchange differences of certain financial instruments are recognised in the Consolidated Income Statement and the effective portion in Translation differences (Consolidated Equity).

After cancellation of the debt instrument issued and considered hedge of net investment, the balance considered translation differences will stay in this heading until derecognition of the investment of the foreign operation. At the moment, the accumulated loss or gain in this heading is transferred to the Consolidated Income Statement.

Over the year, the Group has arranged short-term currency options to protect itself against depreciating currencies. Changes in fair value are recognised in the Consolidated Income Statement without being significant.

#### 6.20 Related parties

The Group considers as related parties: direct and indirect shareholders, companies over which it has significant influence or joint control, such as companies accounted for using the equity method and its directors.

Companies not belonging to the Group but belonging to the major shareholder of the Parent Company, with control or significant influence, are also considered related parties.

## 6.21 Environment

Expenses relating to decontamination and restoration work in polluted areas, as well as the elimination of waste and other expenses incurred to comply with the environmental protection legislation, are registered in the year they are incurred, unless they correspond to the acquisition cost of assets to be used over an extended period. In this case, they are recognised in the corresponding heading under “Property, plant and equipment” and are depreciated using the same criteria described in Note 6.2.

Estimable amounts of contingent liabilities for environmental issues, if any, would be provisioned as a liability in the Consolidated Balance Sheet.

### **Note 7. Significant accounting judgements, estimates and assumptions**

The preparation of the accompanying Consolidated Financial Statements under IFRS requires management to make estimates and assumptions that affect the Consolidated Balance Sheet and the Consolidated Income Statement for the year. The estimates that have a significant impact are as follows:

#### Impairment of non-financial assets

There is impairment when the carrying amount of an asset or a Cash-Generating Unit (CGU) is higher than its recoverable value, which is the higher of its recoverable value less costs of sale and its value in use.

For CGUs with a goodwill or an asset with indefinite useful life assigned, an impairment test is carried out every year by calculating the recoverable value through the value in use. The calculation is based on the discounting of cash flows. Cash flows are obtained from the most conservative budget and business plan for the next five years and they do not include uncommitted restructuring activities or the significant future investments which will increase the output of the asset related to the Cash-Generating Unit under analysis. The recoverable amount is very sensitive to the discount rate used for discounting cash flows, to the expected future inflows and to the growth rate used for extrapolating them.

The key assumptions used for calculating the recoverable amount of the Cash-Generating Units as well as the sensitivity analysis are further detailed in Note 6.7, Note 10 and Note 11.

The discounted cash flow method and the calculation of the perpetual value use a standardised period in which all those assumptions that are considered reasonable and recurring in the future are included.

For the remaining CGUs with no goodwill assigned but including significant non-current assets, an impairment test is carried out only when there is evidence of impairment according to indicators detailed in Note 6.7.

#### Revenue recognition and the work-in-progress evaluation

The Group estimates the stage of completion of certain services to customers such as die design and tooling. The stage of completion is determined by the incurred costs with respect to the total expected costs, including certain assumptions regarding the total costs according to historic experience.

#### Pension benefits

The cost of the defined benefit plans and other post-employment benefits and the present value of the pension obligations are determined according to actuarial valuations. The actuarial valuations imply assumptions that may differ from the real future events. They include the discount rate, future



salary increases, mortality rates and future pension increases. Since the valuation is complex and for the long-term, the calculation of the obligation for defined benefit plans is very sensitive to changes in those assumptions. All assumptions are revised at every closing date.

The most changing parameter is the discount rate. To calculate the proper discount rate the Management uses, as an essential reference, the interest rate of 10-year bonds and extrapolates them over the underlying curve corresponding to the expected maturity of the obligation for defined benefit plans, based on the bonds yield curves or swaps interest rate. In addition, the quality of the underlying bonds is reviewed. Those bonds with excessive credit spreads are excluded from the analysis as they are not considered to be of a high credit rating.

Mortality rate is based in public mortality tables from the specific country. These tables use to change only in intervals according to demographic changes. Future salary increases and future pension increases are based on future expected inflation rates for each country.

Further details on assumptions considered and a sensitivity analysis are included in Note 22.

#### Taxes

Deferred tax assets are recognised for negative tax bases and other unused tax incentives to the extent that it is probable that taxable profit will be available against which they can be utilised. The deferred tax asset to be registered depends on important judgments by Management according to a reasonable period and the future tax profits.

The Group does not register deferred tax assets in the following cases: negative tax bases to be offset from subsidiaries keeping a loss history, which cannot be used to offset future tax profits from other group companies and when there are no taxable temporary differences in the company.

#### Review of useful lives

Useful life of tangible fixed assets is determined according to the expected use of the asset as well as the past experience of use and duration of similar assets.

With respect to the useful life of intangible assets that do not have a definite useful life, including capitalised expenses implementation, it has been calculated that, based on internal analyses, their useful life does not exceed 6 years and that their recovery is linear in accordance with the consumption pattern represented by the production of the operating plants.

#### Fair value of financial instruments

When fair value of financial assets and liabilities recognised in the Consolidated Balance Sheet cannot be obtained from quoted prices in active markets it is calculated by valuation techniques that include the model of discounting cash flows. The required data are obtained from observable markets when possible and when not, some value judgments are made in order to establish reasonable values. Judgments refer to liquidity risk, credit risk and volatility. Changes in assumptions related to these factors may affect the reasonable value of financial instruments reported (Note 12 and Note 23.b.1)).

#### Assessment of gain of control in subsidiaries

According to IFRS 10, currently in force, Group Management assesses the existence of control of significant companies with 50% shareholdings, such as Beyçelik Gestamp Kalip, A.S., Gestamp Automotive India Private Ltd, Edscha Pha, Ltd. and Tuyauto Gestamp Morocco.

Regarding Beyçelik Gestamp Kalip, A.S., Edscha Pha, Ltd. and Tuyauto Gestamp Morocco, non-controlling interests are third parties external to the Gestamp Automoción Group and over whom the shareholders of the Parent Company have no control.

Although in these companies the members of the board of directors are elected on the basis of the percentage of ownership, it is considered that control over the companies is exercised taking into account the following facts and circumstances regarding the relevant activities:

1. Car manufacturers require from their suppliers the capability to reach and maintain quality standards across a wide geographic presence in order to negotiate global supply.
2. Accordingly, the most important activities for a supplier in this sector are as follows:
  - a. Continuous investment in technological research and development to satisfy customer requirements.
  - b. Global negotiation for approval and homologation of every component comprising a product, as well as management of prices.
  - c. All activities aimed to achieve excellent quality of components.

The above activities are carried out directly by the Group since the shareholders owning the remaining shares do not have these capacities.

3. In this sense, these companies technologically depend on the Group. Research and Development activities are fully carried out by the Group and the technology is provided to the subsidiary according to the agreement signed with the shareholders. Accordingly, the aforementioned subsidiaries have right to use but no intellectual property. The design to apply the technology of hot stamping currently used by the subsidiary is exclusive property of the Group.
4. In order to prove this excellence, an OEM supplier needs to be accredited as a Tier 1 supplier (high quality supplier) by the car manufacturer. The subsidiaries could not obtain this certification if they did not belong to the Group.

In the particular case of Gestamp Automotive India Private Ltd, in addition to the above, the Group holds a majority on the Board, having appointed 4 members out of a total of 6 Board members. Regarding this company the non-controlling interests corresponding to the remaining 50% shareholding are Group related parties since it is to a company controlled by shareholders of the Parent Company.

#### **Note 8. Changes in significant accounting policies and estimates and restatement of errors**

##### Changes in accounting estimates

The effect of a change in an accounting estimate is recognised in the same Consolidated Income Statement heading in which the associated income or expense was recognised under the former estimate.

##### Changes in significant accounting policies and restatement of errors

The effect of this type of changes in accounting policies and the correction of errors is recognised in those cases that are significant at Group level. The cumulative effect at the beginning of the year is adjusted in the Retained earnings heading and the effect of the year itself is recognised in the Consolidated Income Statement for the year. In these cases, the figures for the previous year are modified to make them comparative, unless the rule governing the new accounting policy expressly allows the comparative figures for the previous year not to be restated.

## Note 9. Segment reporting

According to IFRS 8 “Operating segments”, segment information below is based on internal reports regularly reviewed by the Board of Directors of the Group in order to allocate resources to each segment and assess their performance.

Operating segments identified by the board of directors of the Group are based on a geographical approach. The segments and countries included are as follows:

- ✓ Western Europe
  - Spain
  - Germany
  - United Kingdom
  - France
  - Portugal
  - Sweden
  - Luxembourg
  - Morocco
  
- ✓ Eastern Europe
  - Russia
  - Poland
  - Hungary
  - Czech Republic
  - Slovakia
  - Turkey
  - Romania
  - Bulgaria
  
- ✓ Mercosur
  - Brazil
  - Argentina
  
- ✓ North America
  - USA
  - Mexico
  
- ✓ Asia
  - China
  - South Korea
  - India
  - Thailand
  - Japan
  - Taiwan

Each segment includes the activity of Group companies located in countries belonging to the segment.

The Group's Management Committee managed the operating segments corresponding to continuing activities mainly according to the changes in the main financial indicators from each segment such as revenue, EBITDA, EBIT and investments in fixed assets. Financial income and expenses, as well as income tax, and the allocation of profit to non-controlling interests are analysed together at Group level since they are basically centrally managed.

Inside certain segments there are some countries meeting the definition of a significant segment; however, they are presented in the aggregate since the products and services generating ordinary income as well as productive processes are similar and additionally they show similar long-term financial performance and they belong to the same economic environment.

The information relating to the provisions and charges arising from the situation caused by COVID-19, i.e. the Transformation Plan, are not included in the Consolidated Income Statement segment information provided in these Consolidated Financial Statements.

Segment information for 2020 and 2019 is as follows:

ITEM	Thousands of euros					
	2020					
	WESTERN EUROPE	EASTERN EUROPE	MERCOSUR	NORTH AMERICA	ASIA	TOTAL
<b>NON-CURRENT ASSETS</b>						
Goodwill	72,916	10,267	5,632	2,890	10	91,715
Other intangible assets	296,359	13,481	3,033	16,171	39,109	368,153
Property, plant and equipment	1,502,862	631,797	264,633	1,247,184	587,652	4,234,128
Non-current financial assets	69,740	49	2,000	5,269	8,516	85,574
Deferred tax assets	224,852	47,096	23,022	168,081	24,732	487,783
<b>Total non-current assets</b>	<b>2,166,729</b>	<b>702,690</b>	<b>298,320</b>	<b>1,439,595</b>	<b>660,019</b>	<b>5,267,353</b>
<b>WORKING CAPITAL</b>						
Inventories	100,507	46,178	28,837	118,364	64,332	358,218
Assets from contracts with customers	396,865	(45,747)	6,354	39,121	72,649	469,242
Trade and other receivables	194,685	163,956	79,559	118,269	261,074	817,543
Other current assets	8,081	50,623	6,462	33,151	10,210	108,527
Subtotal	700,138	215,010	121,212	308,905	408,265	1,753,530
Trade and other payables	(830,447)	(243,875)	(76,064)	(254,140)	(332,835)	(1,737,361)
Current provisions	(30,231)	(1,682)	-	(581)	(2,052)	(34,546)
Other current liabilities	(11,091)	(12,418)	-	189	578	(22,742)
Other current borrowed liabilities	(119,763)	(24,496)	(12,408)	(26,142)	(36,181)	(218,990)
<b>Total working capital</b>	<b>(291,394)</b>	<b>(67,461)</b>	<b>32,740</b>	<b>28,231</b>	<b>37,775</b>	<b>(260,109)</b>

ITEM	Thousands of euros					
	2020					
	WESTERN EUROPE	EASTERN EUROPE	MERCOSUR	NORTH AMERICA	ASIA	TOTAL
Revenue	3,180,270	1,208,991	391,325	1,658,942	1,016,312	7,455,840
EBITDA	264,910	183,048	9,211	155,424	144,701	757,294

ITEM	Thousands of euros					
	2019					
	WESTERN EUROPE	EASTERN EUROPE	MERCOSUR	NORTH AMERICA	ASIA	TOTAL
<b>NON-CURRENT ASSETS</b>						
Goodwill	71,274	13,637	7,919	2,890	11	95,731
Other intangible assets	297,002	17,141	4,360	24,729	40,855	384,087
Property, plant and equipment	1,532,578	734,290	326,402	1,418,567	567,956	4,579,793
Non-current financial assets	46,852	34	2,175	6,487	15,764	71,312
Deferred tax assets	199,720	43,020	21,839	158,720	18,561	441,860
<b>Total non-current assets</b>	<b>2,147,426</b>	<b>808,122</b>	<b>362,695</b>	<b>1,611,393</b>	<b>643,147</b>	<b>5,572,783</b>
<b>WORKING CAPITAL</b>						
Inventories	100,907	60,314	43,885	174,626	71,292	451,024
Assets from contracts with customers	519,407	(56,654)	17,060	(23,044)	81,631	538,400
Trade and other receivables	302,774	171,461	109,934	201,640	281,662	1,067,471
Other current assets	16,065	29,232	9,185	44,391	12,004	110,877
Subtotal	939,153	204,353	180,064	397,613	446,589	2,167,772
Trade and other payables	(899,642)	(249,498)	(67,359)	(233,644)	(307,639)	(1,757,782)
Current provisions	(11,159)	(1,886)	-	(789)	(2,721)	(16,555)
Other current liabilities	(7,150)	(3,218)	-	-	(8)	(10,376)
Other current borrowed liabilities	(80,545)	(30,369)	(29,214)	(29,479)	(38,048)	(207,655)
<b>Total working capital</b>	<b>(59,343)</b>	<b>(80,618)</b>	<b>83,491</b>	<b>133,701</b>	<b>98,173</b>	<b>175,404</b>

ITEM	Thousands of euros					
	2019					
	WESTERN EUROPE	EASTERN EUROPE	MERCOSUR	NORTH AMERICA	ASIA	TOTAL
Revenue	3,911,445	1,379,476	655,499	1,976,193	1,142,533	9,065,146
EBITDA	400,339	212,504	83,522	220,446	154,917	1,071,728

Recurring operating transactions between subsidiaries in different segments are not material.

The heading "EBITDA" from each segment includes the costs of Group corporate services according to:

- The criteria for distribution of management costs as per global agreements signed by Group companies.
- The agreements for rendering specific services signed by certain Group companies.

The additions of Other intangible assets (Note 10.b) by segments are as follows:

Segment	Thousands of euros	
	2020	2019
	Western Europe	61,441
Eastern Europe	1,990	6,554
Mercosur	859	1,260
North America	3,667	5,574
Asia	8,968	9,780
<b>Total</b>	<b>76,925</b>	<b>108,075</b>

The additions of Property, plant and equipment (Note 11) by segments are as follows:

Segment	Thousands of euros	
	2020	2019
	Western Europe	184,461
Eastern Europe	42,747	149,758
Mercosur	32,188	56,069
North America	105,940	220,802
Asia	118,147	78,581
<b>Total</b>	<b>483,483</b>	<b>714,440</b>

Additions of PP&E at 31 December 2020 include additions due to the application of IFRS 16 amounting to 66,579 thousand euros (26,392 thousand euros at 31 December 2019).

The three customers representing the highest contribution to sales (including the companies in their own groups) represent 47.5% of revenue (2019: 49%) of total revenue and each of them represents more than 9.0% of revenue in 2020 (over 9.5% in 2019).

## Note 10. Intangible assets

### a) Consolidation goodwill

The movement in this heading assigned to each Group Segment in 2020 and 2019 is as follows:

Segment / CGU	Thousands of euros		
	Balance at 31-12-2019	Translation differences	Balance at 31-12-2020
<b>Western Europe</b>			
Gestamp HardTech AB	36,434	1,642	38,076
Gestamp Metalbages S.A.	15,622		15,622
Gestamp Aveiro, S.A.	7,395		7,395
Gestamp Levante, S.A.	6,944		6,944
Griwe Subgroup	6,466		6,466
Adral, matricería y puesta a punto S.L.	857		857
Reparaciones Industriales Zaldibar, S.L.	444		444
<b>Eastern Europe</b>			
Beyçelik Gestamp Kalip, A.S.	10,731	(2,837)	7,894
Gestamp Severstal Vsevolozhsk, Llc	108	(25)	83
Çelik Form Gestamp Otomotive, A.S.	1,864	(493)	1,371
Gestamp Beycelik Romania, S.R.L. (before MPO Providers Rez, S.R.L.)	935	(15)	920
<b>Mercosur</b>			
Gestamp Brasil Industria de Autopeças, S.A.	7,920	(2,287)	5,633
<b>Asia</b>			
Gestamp Services India Private, Ltd.	11	(1)	10
<b>Total</b>	<b>95,731</b>	<b>(4,016)</b>	<b>91,715</b>

Segment / CGU	Thousands of euros		
	Balance at 31-12-2018	Translation differences	Balance at 31-12-2019
<b>Western Europe</b>			
Gestamp HardTech AB	37,623	(1,189)	36,434
Gestamp Metalbages S.A.	15,622		15,622
Gestamp Aveiro, S.A.	7,395		7,395
Gestamp Levante, S.A.	6,944		6,944
Griwe Subgroup	6,466		6,466
Adral, matricería y puesta a punto S.L.	857		857
Reparaciones Industriales Zaldibar, S.L.	444		444
<b>Eastern Europe</b>			
Beyçelik Gestamp Kalip, A.S.	11,832	(1,101)	10,731
Gestamp Severstal Vsevolozhsk, Llc	95	13	108
Çelik Form Gestamp Otomotive, A.S.	2,055	(191)	1,864
MPO Providers Rez. S.R.L.	962	(27)	935
<b>Mercosur</b>			
Gestamp Brasil Industria de Autopeças, S.A.	8,037	(117)	7,920
<b>Asia</b>			
Gestamp Services India Private, Ltd.	11		11
<b>Total</b>	<b>98,343</b>	<b>(2,612)</b>	<b>95,731</b>

Translation differences in 2020 and 2019 correspond to the adjustments to the goodwill of companies whose functional currency is different from the Euro, translated at the exchange rate prevailing at Consolidated Balance Sheet date, according to IAS 21 (Note 6.3).



### Impairment test of Goodwill

The Group has implemented annual procedures to test goodwill for impairment. This assessment is carried out for each of the CGUs or groups of CGUs to which goodwill has been allocated.

A CGU is the smallest identifiable group of assets that generates cash flows that are largely independent of the cash inflows from other assets or group of assets.

As at 31 December 2020 and 31 December 2019, the recoverable amount of CGUs was determined by taking the higher of the fair value less costs necessary to sell the CGU or by calculating the value in use, using cash flow projections for a period of five years and based on the future performance of the businesses.

The cash flows after the five-year period were extrapolated using a growth rate of 1%, both for 2020 and 2019, which are deemed to be prudent assumptions with respect to the growth rates from medium to long term for the automobile industry.

The discount rate before taxes applied to the cash flow projections of the CGUs is calculated based on the Weighted Average Cost of Capital (WACC), and is determined by the average weighted cost of equity and the cost of borrowed funds in line with the financial structure set for the Group.

The discount rates before taxes applied to the CGUs whose goodwill is most significant in 2020 and 2019 were as follows:

Segment	CGU	Pre-tax discount rate	
		2020	2019
Western Europe	Gestamp HardTech, AB	8.7%	7.7%
Western Europe	Gestamp Metalbages, S.A.	9.3%	8.5%
Eastern Europe	Beyçelik Gestamp Kalip, A.S.	14.2%	13.8%

It is concluded that the recoverable value is higher than the carrying amount for all the CGUs, so the Group can recover the value of goodwill recognised at 31 December 2020 and 2019.

The economic projections made in previous years did not present significant differences with regard to the actual data or, if applicable, they would not have led to impairment.

### Sensitivity analysis of changes in key assumptions

The Parent Company's Management performed a sensitivity analysis, especially in relation to the discount rate used and the residual growth rate, to ensure that possible changes in the estimate of those rates do not affect the recovery of the aforementioned values, where the value in use is the reference value.

- ✓ An increase of 50 basis points in the discount rate used would reduce the value in use but, under no circumstances, would it mean that this value in use is lower than the carrying amount of the assets analysed.
- ✓ If the perpetual growth rate was 0.5%, from the first period, it would reduce the value in use but, under no circumstances, would it mean that this value in use is lower than the carrying amount of the assets analysed.

- ✓ If the EBITDA margin on sales used for a perpetual projection of the cash flows was reduced by 100 basis points, it would reduce the value in use but, under no circumstances, would it lead to the impairment of the carrying amount of the assets analysed.

## b) Other intangible assets

The breakdown and movements of the different categories of Other intangible assets are:

	Thousands of euros						Balance at 31-12-2020
	Balance at 31-12-2019	Additions	Disposals	Translation differences	Hyperinflation adjustment	Other movements	
<b>Cost</b>							
Development costs	529,497	58,849	(3,488)	(5,074)		(2,227)	577,557
Concessions	22,589			(719)		(2,690)	19,180
Patents, licences and trademarks	40,712	190	(1,650)	126			39,378
Goodwill	1,437			(469)		88	1,056
Transfer rights	61	53		(1)		2,371	2,484
Software	211,139	11,832	(4,484)	(8,523)	(45)	7,884	217,803
Prepayments	12,703	6,001	(653)	(491)		(8,392)	9,168
<b>Total cost</b>	<b>818,138</b>	<b>76,925</b>	<b>(10,275)</b>	<b>(15,151)</b>	<b>(45)</b>	<b>(2,966)</b>	<b>866,626</b>
<b>Amortization and impairment</b>							
Development costs	(278,179)	(59,742)	939	3,021		258	(333,703)
Concessions	(3,827)	(421)		87		(277)	(4,438)
Patents, licences and trademarks	(6,580)	(789)	1,650	(115)			(5,834)
Transfer rights	(8)	(105)		22		(121)	(212)
Software	(142,859)	(19,211)	4,024	5,959		752	(151,335)
Accumulated amortisation	(431,453)	(80,268)	6,613	8,974	-	612	(495,522)
Impairment of intangible assets	(2,598)	(319)	9	6		(49)	(2,951)
<b>Net value</b>	<b>384,087</b>	<b>(3,662)</b>	<b>(3,653)</b>	<b>(6,171)</b>	<b>(45)</b>	<b>(2,403)</b>	<b>368,153</b>

Additions to Development cost mainly correspond to development and design costs of portfolio projects, as well as the application of new technologies and the introduction of new materials related to the business.

The net value of Other movements mainly reflects reclassifications between PP&E and intangible assets.

	Thousands of euros							Balance at 31-12-2019
	Balance at 31-12-2018	Changes in scope of consolidation	Additions	Disposals	Translation differences	Hyperinflation adjustment	Other movements	
<b>Cost</b>								
Development costs	445,547		74,280	(713)	1,063		9,320	529,497
Concessions	19,438				123		3,028	22,589
Patents, licences and trademarks	39,937	502	707	(150)	(116)		(168)	40,712
Goodwill	911				112		414	1,437
Transfer rights	23		3				35	61
Software	184,201	24	20,257	(1,070)	704	43	6,980	211,139
Prepayments	14,378		12,828	(405)	235		(14,333)	12,703
<b>Total cost</b>	<b>704,435</b>	<b>526</b>	<b>108,075</b>	<b>(2,338)</b>	<b>2,121</b>	<b>43</b>	<b>5,276</b>	<b>818,138</b>
<b>Amortization and impairment</b>								
Development costs	(217,269)		(60,432)		(476)		(2)	(278,179)
Concessions	(2,869)		(405)		(15)		(538)	(3,827)
Patents, licences and trademarks	(5,174)	(259)	(1,093)	149	64		(267)	(6,580)
Transfer rights	(1,360)		(40)		2		1,390	(8)
Software	(122,735)	(20)	(19,366)	817	(426)		(1,129)	(142,859)
Accumulated amortization	(349,407)	(279)	(81,336)	966	(851)	-	(546)	(431,453)
Impairment of intangible assets	(2,664)		(220)		(2)		288	(2,598)
<b>Net value</b>	<b>352,364</b>	<b>247</b>	<b>26,519</b>	<b>(1,372)</b>	<b>1,268</b>	<b>43</b>	<b>5,018</b>	<b>384,087</b>

Changes in consolidation scope at 31 December 2019 correspond to the incorporation of Gestamp Etem Automotive Bulgaria, S.A. (Note 3).

Additions to Development cost mainly correspond to development and design costs of portfolio projects, as well as the application of new technologies or the introduction of new materials related to the business.

The net value of Other movements mainly reflects reclassifications between PP&E and intangible assets.

The most significant investments by segment are shown in Note 9.

Development cost corresponding to projects not fulfilling requirements to be capitalised were registered in the heading Other operating expenses in the Consolidated Income Statement, and they amount to 1,068 thousand euros at 31 December 2020 (31 December 2019: 1,231 thousand euros).

### **Impairment test on assets with indefinite useful lives**

Assets with indefinite useful life are yearly tested by the royalty relief method to identify impairment. It is concluded that their recoverable value is far higher than their net carrying amount.

### **Note 11. Property, plant and equipment**

The breakdown and changes in the items comprising Property, plant and equipment are as follows:

	Thousands of euros						Balance at 31-12-2020
	Balance at 31-12-2019	Additions	Disposals	Translation differences	Hyperinflation adjustment	Other movements	
<b>Cost</b>							
Land and buildings	1,941,598	56,536	(9,256)	(102,437)		62,267	1,948,708
Plant and other PP&E	6,374,170	108,486	(147,534)	(334,744)	(5,467)	330,037	6,324,948
PP&E under construction and prepayments	479,135	318,461	(8,804)	(43,906)		(378,040)	366,846
<b>Total cost</b>	<b>8,794,903</b>	<b>483,483</b>	<b>(165,594)</b>	<b>(481,087)</b>	<b>(5,467)</b>	<b>14,264</b>	<b>8,640,502</b>
<b>Amortisation and impairment</b>							
Land and buildings	(528,733)	(70,987)	5,404	25,479		(7,467)	(576,304)
Plant and other PP&E	(3,686,377)	(455,096)	129,361	167,220		14,822	(3,830,070)
Accumulated amortisation and impairment	(4,215,110)	(526,083)	134,765	192,699	-	7,355	(4,406,374)
<b>Net value</b>	<b>4,579,793</b>	<b>(42,600)</b>	<b>(30,829)</b>	<b>(288,388)</b>	<b>(5,467)</b>	<b>21,619</b>	<b>4,234,128</b>

The cost value of the property, plant and equipment additions at 31 December 2020 mainly corresponds to investments in plants and production lines, with the aim of increasing the productive capacity of the Group, as well as to capital expenditure to maintain existing activities, basically corresponding to companies located in China, the USA, Spain, Brazil, France, United Kingdom, India, Poland, Turkey, Morocco, Portugal, Bulgaria and the Czech Republic.

The hyperinflation adjustment corresponds to the restatement of the value of non-current assets in Argentina, under IAS 29 (Note 4.5).

The net value of the Other Movements column includes mainly reclassifications between intangible assets and PP&E, as well as certain cases related to the application of IFRS 16, which are explained below.

In addition, the Group has reviewed a larger number of CGUs with signs of impairment and made an additional provision of 13 million euros to accumulated amortisation (Note 1).

	Thousands of euros								
	Balance at 31-12-2018	IFRS 16 impact 01-01-19	Changes in scope of consolidation	Additions	Disposals	Translation differences	Hyperinflation adjustment	Other movements	Balance at 31-12-2019
<b>Cost</b>									
Land and buildings	1,617,529	228,846		18,283	(553)	20,135		57,358	1,941,598
Plant and other PP&E	5,386,696	166,264	7,306	238,370	(109,655)	46,832	350	638,007	6,374,170
PP&E under construction and prepayments	672,868		459	457,787	(236)	12,155		(663,898)	479,135
<b>Total cost</b>	<b>7,677,093</b>	<b>395,110</b>	<b>7,765</b>	<b>714,440</b>	<b>(110,444)</b>	<b>79,122</b>	<b>350</b>	<b>31,467</b>	<b>8,794,903</b>
<b>Amortisation and impairment</b>									
Land and buildings	(445,036)			(65,857)	430	(2,704)		(15,566)	(528,733)
Plant and other PP&E	(3,354,362)		(1,042)	(418,694)	92,599	(21,573)		16,695	(3,686,377)
Accumulated amortisation and impairment	(3,799,398)	-	(1,042)	(484,551)	93,029	(24,277)	-	1,129	(4,215,110)
<b>Net value</b>	<b>3,877,695</b>	<b>395,110</b>	<b>6,723</b>	<b>229,889</b>	<b>(17,415)</b>	<b>54,845</b>	<b>350</b>	<b>32,596</b>	<b>4,579,793</b>

The impact of IFRS 16 on the changes shown in the foregoing table amounted to 395,110 thousand euros.

Changes in consolidation scope at 31 December 2019 correspond to the incorporation of Gestamp Etem Automotive Bulgaria, S.A. (Note 3).

The cost value of the property, plant and equipment additions at 31 December 2019 mainly corresponds to investments in plants and production lines, with the aim of increasing the productive capacity of the Group, as well as to capital expenditure to maintain existing activities, basically corresponding to companies located in the USA, Spain, China, Brazil, Poland, Mexico, Germany, UK, Slovakia, Czech Republic, Turkey, Portugal and France.

The hyperinflation adjustment corresponds to the restatement of the value of non-current assets in Argentina, under IAS 29 (Note 4.5).

The net value of the Other Movements column includes mainly reclassifications between intangible assets and PP&E, as well as certain cases related to the application of IFRS 16, which are explained below.

The changes in PP&E in 2020 include the effect of the application of IFRS 16, broken down as follows:

	Thousands of euros					
	Balance at 31-12-2019	Additions	Disposals	Translation differences	Other movements	Balance at 31-12-2020
<b>Cost</b>						
Right of use Land and buildings	260,124	47,055	(1,644)	(15,439)	55,619	345,715
Right of use Plant and other PP&E	212,524	19,524	(5,901)	(13,696)	2,011	214,462
<b>Total cost</b>	<b>472,648</b>	<b>66,579</b>	<b>(7,545)</b>	<b>(29,135)</b>	<b>57,630</b>	<b>560,177</b>
<b>Amortisation and impairment</b>						
Right of use Land and buildings	(42,588)	(31,602)	1,644	3,840	(7,501)	(76,207)
Right of use Plant and other PP&E	(44,221)	(43,333)	5,901	4,358	1,423	(75,872)
Accumulated amortisation	(86,809)	(74,935)	7,545	8,198	(6,078)	(152,079)
<b>Net value</b>	<b>385,839</b>	<b>(8,356)</b>	<b>-</b>	<b>(20,937)</b>	<b>51,552</b>	<b>408,098</b>

The net balance of the Other movements column mainly reflects asset sale operations and simultaneously the operating lease of the same, as well as amendments to the terms of the agreements affected by this standard and agreements provided to the Group companies in 2020.

The changes in PP&E in 2019 include the effect of the adoption and application of IFRS 16, broken down as follows:

	Thousands of euros					
	IFRS 16 impact 01-01-2019	Additions	Disposals	Translation differences	Other movements	Balance at 31-12-2019
<b>Cost</b>						
Right of use Land and buildings	228,846	13,362	(373)	5,181	13,108	260,124
Right of use Plant and other PP&E	166,264	13,030	(3,910)	4,029	33,111	212,524
<b>Total cost</b>	<b>395,110</b>	<b>26,392</b>	<b>(4,283)</b>	<b>9,210</b>	<b>46,219</b>	<b>472,648</b>
<b>Amortisation and impairment</b>						
Right of use Land and buildings		(27,524)	373	(36)	(15,401)	(42,588)
Right of use Plant and other PP&E		(47,879)	3,910	(252)		(44,221)
Accumulated amortisation		(75,403)	4,283	(288)	(15,401)	(86,809)
<b>Net value</b>	<b>395,110</b>	<b>(49,011)</b>	<b>-</b>	<b>8,922</b>	<b>30,818</b>	<b>385,839</b>

The net balance of the Other movements column mainly reflects amendments to the terms of the agreements affected by this standard and agreements provided to the Group companies in 2019.

The effect of the asset revaluation that was carried out in 2007 as a result of the IFRS transition, is as follows:

	Thousands of euros	
	2020	2019
Initial cost	266,567	266,567
Fair value	509,428	509,428
Revaluation	242,861	242,861
Accumulated amortisation	(57,159)	(53,054)
Deferred tax liabilities	(46,756)	(47,846)
<b>Total</b>	<b>138,946</b>	<b>141,961</b>
Non-controlling interests	(24,151)	(24,393)
Reserves (Note 17.3.b)	(117,568)	(120,341)
Profit for the year	2,773	2,773
<b>Total</b>	<b>(138,946)</b>	<b>(141,961)</b>

The detail, by segment, of PP&E at 31 December 2020 and 2019, respectively, was as follows:

Segment / Country	Thousands of euros	
	Net carrying amount	Net carrying amount
	2020	2019
<b>Western Europe</b>	<b>1,502,862</b>	<b>1,532,578</b>
Spain	732,358	752,506
Germany	323,979	313,972
France	107,035	101,175
Portugal	81,910	82,825
Sweden	16,797	18,673
United Kingdom	218,070	250,634
Morocco	22,686	12,757
Luxembourg	27	36
<b>Eastern Europe</b>	<b>631,797</b>	<b>734,290</b>
Poland	206,197	220,533
Russia	56,124	90,193
Hungary	25,620	30,818
Czech Republic	110,576	136,732
Romania	24,344	22,755
Turkey	73,388	98,449
Slovakia	121,138	126,226
Bulgary	14,410	8,584
<b>Mercosur</b>	<b>264,633</b>	<b>326,402</b>
Argentina	41,241	49,045
Brazil	223,392	277,357
<b>North America</b>	<b>1,247,184</b>	<b>1,418,567</b>
USA	926,647	1,046,241
Mexico	320,537	372,326
<b>Asia</b>	<b>587,652</b>	<b>567,956</b>
China	433,231	402,691
India	74,449	76,153
South Korea	40,669	43,725
Japan	38,781	44,676
Taiwan	119	154
Thailand	403	557
<b>Total</b>	<b>4,234,128</b>	<b>4,579,793</b>

The rights of use corresponding to leases previously classified as finance leases at 31 December 2020 and 31 December 2019 are as follows:

Segment	Cost of the asset (thousands of euros)	Lease term	Instalments paid	2020		
				Thousands of euros		
				Present value of lease obligations (Note 23.c.1)		Purchase option value
Short term	Long term					
<b>Eastern Europe</b>						
Machinery	7,463	2 years	2,699	1,135	3,177	-
Machinery	6,816	3 years	2,528	959	3,274	-
Machinery	272	4 years	290	50	28	-
Machinery	6,129	5 years	1,394	1,265	2,727	-
Machinery	4,049	6 years	997	623	2,337	-
Machinery	25,244	7 years	11,022	3,715	9,941	-
Transportation equipment	48	2 years	31	6	13	-
<b>North America</b>						
Machinery	20,450	20 years	9,902	1,080	14,432	-
<b>Western Europe</b>						
Machinery	43	2 years	14	29	-	-
Machinery	2,253	6 years	163	367	1,341	-
Machinery	6,886	7 years	1,974	1,414	4,080	-
<b>Total</b>	<b>79,653</b>			<b>10,643</b>	<b>41,350</b>	

Segment	2019					
	Cost of the asset (thousands of euros)	Lease term	Instalments paid	Thousands of euros		Purchase option value
				Present value of lease obligations (Note 23.c.1)		
				Short term	Long term	
<b>Eastern Europe</b>						
Machinery	9,827	2 years	3,580	1,401	5,815	-
Machinery	7,882	3 years	2,679	974	4,243	-
Machinery	472	4 years	254	93	169	-
Machinery	5,104	5 years	2,483	841	2,249	-
Machinery	27,842	7 years	10,757	3,751	13,606	-
Transportation equipment	35	2 years	16	11	7	-
<b>North America</b>						
Machinery	22,264	20 years	9,071	1,135	16,888	-
<b>Western Europe</b>						
Machinery	2,253	6 years	163	368	1,522	-
Machinery	6,886	7 years	1,301	929	5,027	-
<b>Total</b>	<b>82,565</b>			<b>9,503</b>	<b>49,526</b>	

The figures in the table above are affected by the application of different exchange rates in the conversion process of the financial statements of the subsidiaries. These subsidiaries have functional currencies different from the presentation currency.

### **Impairment test of Property, Plant and Equipment**

Impairment tests calculate recoverable value and are carried out for those CGU's whose signs of deterioration are found according to indicators mentioned in Note 6.7. Certain of the Company's CGUs show signs of impairment as in the previous year, for which an impairment test has been carried out by calculating their recoverable value.

The cash flows after the five-year period were extrapolated using a growth rate of 1%, both for 2020 and 2019, which are deemed to be prudent assumptions with respect to the growth rates from medium to long term for the automobile industry.

The discount rate before taxes applied to the cash flow projections of the CGUs is calculated based on the Weighted Average Cost of Capital (WACC), and is determined by the average weighted cost of equity and the cost of borrowed funds in line with the financial structure set for the Group.

The volume of assets with respect to which the impairment test is performed with regard to the Group's total PP&E was 50% (38% in 2019).

The CGUs' recoverable value at 31 December 2020 was determined by choosing the higher of the fair value less the necessary costs to sell the CGU, and the calculation of value in use, using cash flow projections covering a five-year period, based on future business performance.

The discount rates before taxes applied to the CGUs with impairment indicators for 2020 and 2019 were as follows:

Segment	2020	
	WACC rate before taxes	Perpetual growth rate
Western Europe	8.3% - 11.7%	1.00%
Eastern Europe	9.8% - 14.2%	1.00%
Asia	8.9% - 14.1%	1.00%
North America	8.3% - 10.9%	1.00%
Mercosur	14.8% - 19.7%	1.00%



Segment	2019	
	WACC rate before taxes	Perpetual growth rate
Western Europe	7.6% - 8.6%	1.00%
Eastern Europe	8.5% - 13.8%	1.00%
Asia	8.7%	1.00%
North America	8.4% - 10.9%	1.00%
Mercosur	12.6% - 21.5%	1.00%

Once the additional provision of accumulated depreciation has been registered for the amount of 13 million euros, it is concluded that the recoverable value is higher than the carrying amount for all the CGUs, so the Group can recover the value of the consolidated assets of each CGU recognised at 31 December 2020 and 2019.

The economic projections made in previous years did not present significant differences with regard to the actual data or, if applicable, they would not have led to impairment.

#### Sensitivity analysis of changes in key assumptions

The Parent Company's Management performed a sensitivity analysis, especially in relation to the discount rate used and the residual growth rate, to ensure that possible changes in the estimate of those rates do not affect the recovery of the aforementioned values, where the value in use is the reference value. The results of these analyses show that:

- ✓ An increase of 50 basis points in the discount rate used would result in a decrease in the value in use and under the economic projections considered would mean that the value in use would be lower than the carrying amount of the assets analysed by approximately 1 million euros.
- ✓ If the perpetual growth rate was 0.5%, from the first period, it would reduce the value in use would be lower than the carrying amount of the assets analysed by approximately 1 million euros.
- ✓ If the EBITDA margin on sales used for a perpetual projection of the cash flows was reduced by 100 basis points, it would reduce the value in use would be lower than the carrying amount of the assets analysed by approximately 1 million euros.

#### **Pledged property, plant and equipment to secure bank loans with in rem guarantees and others**

At 31 December 2020, Edscha PHA Ltd has property, plant and equipment set aside to secure for bank loans amounting to 3,001 thousand euros (Note 23.a.1) (3,087 thousand euros at 31 December 2019). The net carrying amount of these items as at 31 December 2020 amounts to 5,344 thousand euros (6,186 thousand euros as at 31 December 2019).

#### **Note 12. Financial assets**

The detail, by class and maturity, of the Group's financial investments at 31 December 2020 and 31 December 2019, in thousands of euros, is as follows:

	Thousands of euros									
	Investments accounted for using the equity method		Loans granted		Derivative financial instruments		Current securities portfolio		Other financial assets	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
<b>Non-current financial assets</b>	<b>15,022</b>	<b>14,131</b>	<b>57,760</b>	<b>32,848</b>	<b>1,171</b>	<b>12,238</b>	-	-	<b>11,621</b>	<b>12,095</b>
Investments accounted for using the equity method	15,022	14,131	-	-	-	-	-	-	-	-
Held-to-maturity investments	-	-	-	-	-	-	-	-	461	898
Loans and receivables	-	-	57,760	32,848	-	-	-	-	11,160	11,197
Derivative financial instruments (Note 23.b.1)	-	-	-	-	1,171	12,238	-	-	-	-
<b>Current financial assets</b>	<b>-</b>	<b>-</b>	<b>797</b>	<b>22,212</b>	<b>-</b>	<b>-</b>	<b>4,192</b>	<b>22,250</b>	<b>26,373</b>	<b>44,079</b>
Held-to-maturity investments	-	-	-	-	-	-	4,192	22,250	-	-
Loans and receivables	-	-	797	22,212	-	-	-	-	26,373	44,079
<b>Total financial assets</b>	<b>15,022</b>	<b>14,131</b>	<b>58,557</b>	<b>55,060</b>	<b>1,171</b>	<b>12,238</b>	<b>4,192</b>	<b>22,250</b>	<b>37,994</b>	<b>56,174</b>

## a) Non-current financial assets

The movement of non-current financial assets in 2020 and 2019 are the following:

	Thousands of euros			
	Investments accounted for using the equity method	Loans granted	Derivative financial instruments	Other financial assets
<b>Balance at December 31, 2018</b>	<b>2,390</b>	<b>37,407</b>	<b>6,019</b>	<b>12,199</b>
Changes in scope of consolidation	9,500			
Additions	114	571		1,672
Disposals		(6,044)		(1,584)
Change in valuation of derivatives			6,219	
Transfers		(160)		(9)
Other changes		1,091		(250)
Profit for the year	2,060			
Translation differences	67	(17)		67
<b>Balance at December 31, 2019</b>	<b>14,131</b>	<b>32,848</b>	<b>12,238</b>	<b>12,095</b>
Additions		3,684		3,281
Disposals		(871)		(3,067)
Change in valuation of derivatives			(11,067)	
Transfers		21,400		
Other changes		972		277
Profit for the year	1,066			
Translation differences	(175)	(273)		(965)
<b>Balance at December 31, 2020</b>	<b>15,022</b>	<b>57,760</b>	<b>1,171</b>	<b>11,621</b>

### a.1) Investments accounted for using the equity method

Changes in the scope of consolidation in 2019 corresponded to the incorporation of the associate Etem Gestamp Aluminium Extrusions, S.A. (Note 2.b).

Profits for 2020, amounting to 1,066 thousand euros, related to the application of the Group's percentage of ownership interest in the results obtained by each company.

The associated company Industrias Tamer, S.A. reduced its share capital by fully amortising the shares of one of its shareholders. As a result of this reduction in share capital, the percentage of ownership of the shareholders was changed to Gestamp Esmar, S.A. (company which holds the shareholding in Industrias Tamer, S.A.) from 30% to 43%.

Profits in 2019 amounting to 2,060 thousand euros related, firstly, to the application of the Group's percentage of ownership in the results obtained by each company, representing profits of 104 thousand euros and, secondly, to the difference between the price of acquiring Etem Gestamp Aluminium Extrusions, S.A. and the shareholders' equity of such company on the acquisition date, totalling 1,956 thousand euros.

No dividends have been received from companies accounted for using the equity method in 2020 and 2019.

The summarised financial information of the Group's investment in 2020 and 2019 is as follows:

### Condensed balance sheet:

2020					
	Global Laser Araba	Gestamp Auto Components Sales (Tianjin) Co., Ltd.	GGM and subsidiaries	Etem Gestamp Aluminium Extrusions, S.A.	Industrias Tamer, S.A.
Total non-current assets	8,465	308	46,158	39,776	1,374
Total current assets	3,945	66,534	124,116	17,185	787
Total non-current liabilities	(5,026)	-	(38,538)	(4,586)	(529)
Total current liabilities	(3,884)	(60,754)	(138,498)	(30,922)	(523)
Equity	(3,500)	(6,210)	6,361	(21,453)	(1,109)
Translation differences	-	122	401	-	-
Percentage of shareholding	30%	49%	30%	49%	43%
<b>Carrying amount of investment</b>	<b>1,050</b>	<b>2,983</b>	<b>-</b>	<b>10,512</b>	<b>477</b>

2019					
	Global Laser Araba	Gestamp Auto Components Sales (Tianjin) Co., Ltd.	GGM and subsidiaries	Etem Gestamp Aluminium Extrusions, S.A.	Industrias Tamer, S.A.
Total non-current assets	9,854	-	56,616	37,721	1,582
Total current assets	1,251	115,035	93,417	30,458	989
Total non-current liabilities	(7,891)	-	(38,018)	(5,140)	(475)
Total current liabilities	449	(111,290)	(111,918)	(40,963)	(926)
Equity	(3,663)	(3,740)	(119)	(22,076)	(1,170)
Translation differences	-	(5)	22	-	-
Percentage of shareholding	30%	49%	30%	49%	30%
<b>Carrying amount of investment</b>	<b>1,099</b>	<b>1,835</b>	<b>29</b>	<b>10,817</b>	<b>351</b>

### Condensed income statement:

2020					
	Global Laser Araba	Gestamp Auto Components Sales (Tianjin) Co., Ltd.	GGM and subsidiaries	Etem Gestamp Aluminium Extrusions, S.A.	Industrias Tamer, S.A.
Operating income	5,832	314,749	41,394	57,564	2,064
Operating expense	(5,567)	(311,410)	(43,093)	(57,675)	(1,869)
<b>OPERATING PROFIT/LOSS</b>	<b>265</b>	<b>3,339</b>	<b>(1,699)</b>	<b>(111)</b>	<b>195</b>
Finance profit/loss	(185)	37	(1,015)	(607)	(13)
Exchange gains (losses)	-	-	(1,890)	-	-
Impairment and other gains/losses	-	-	(1,004)	-	(209)
<b>PROFIT/LOSS BEFORE TAX</b>	<b>80</b>	<b>3,376</b>	<b>(5,608)</b>	<b>(718)</b>	<b>(27)</b>
Income tax expense	-	(844)	(153)	23	-
Restatement of prior years' profit/loss	40	(63)	5,761	71	320
<b>PROFIT/LOSS FOR THE YEAR</b>	<b>120</b>	<b>2,469</b>	<b>-</b>	<b>(624)</b>	<b>293</b>
Percentage of shareholding	30%	49%	30%	49%	43%
<b>Participation of the Group in profit/loss for the year</b>	<b>36</b>	<b>1,210</b>	<b>-</b>	<b>(306)</b>	<b>126</b>

2019					
	Global Laser Araba	Gestamp Auto Components Sales (Tianjin) Co., Ltd.	GGM and subsidiaries	Etem Gestamp Aluminium Extrusions, S.A.	Industrias Tamer, S.A.
Operating income	9,169	284,407	37,347	52,961	3,463
Operating expense	(6,989)	(281,666)	(39,195)	(53,919)	(3,069)
<b>OPERATING PROFIT/LOSS</b>	<b>2,180</b>	<b>2,741</b>	<b>(1,848)</b>	<b>(958)</b>	<b>394</b>
Finance profit/loss	(241)	32	(900)	(577)	(21)
Exchange gains (losses)	-	-	221	-	-
Impairment and other gains/losses	-	-	-	-	-
<b>PROFIT/LOSS BEFORE TAX</b>	<b>1,939</b>	<b>2,773</b>	<b>(2,527)</b>	<b>(1,535)</b>	<b>373</b>
Income tax expense	-	(693)	(5)	-	(196)
Restatement of prior years' profit/loss	(42)	-	(31)	-	(54)
<b>PROFIT/LOSS FOR THE YEAR</b>	<b>1,897</b>	<b>2,080</b>	<b>(2,563)</b>	<b>(1,535)</b>	<b>123</b>
Percentage of shareholding	30%	49%	30%	49%	30%
<b>Participation of the Group in profit/loss for the year</b>	<b>569</b>	<b>1,019</b>	<b>(769)</b>	<b>(752)</b>	<b>37</b>

### a.2) Loans granted

The Loans Granted heading mainly includes:

- Loans granted to Group employees for the purchase from Acek Desarrollo y Gestión Industrial, S.L. of shares of the Parent Company in 2016, amounting to 34,384 thousand euros at 31 December 2020 (31,177 thousand euros at 31 December 2019). A pledge on the shares of the Parent Company was generated as a guarantee for the loans. The interest rate of the loans is the legal interest rate prevailing every calendar year and the duration is six years from the date of signature, being its maturity during the third quarter of 2022.
- Loan granted by the Parent Company to Gestión Global de Matricería, S.L. for 21,400 thousand euros (Note 32.1)) (21,400 thousand euros at 31 December 2019). In 2020, the maturity of this credit has been modified, settling in December 2022, so it has been transferred from Short-term loans granted (Note 12.b.1)).
- Balance that the companies Gestamp Sorocaba Industria de Autopeças. Ltda. and Edscha do Brasil Ltda. hold with the Brazilian public authorities, amounting to 875 thousand and 166 thousand euros, respectively (154 thousand and 710 thousand euros at 31 December 2019, respectively).

The most significant additions in 2020 mainly relate to an increase of 2,280 thousand euros in loans initially granted in 2016 to Group employees for the purchase from Acek Desarrollo y Gestión Industrial, S.L. of shares of the Parent Company. As well as an increase in the balance of the company Gestamp Sorocaba Industria de Autopeças. Ltda holds with the Brazilian public authorities amounting to 1,183 thousand euros.

The amount recognised in the "Transfers" column corresponds to the transfer of the loan granted by the Parent Company to Gestión Global de Matricería, S.L. from the heading Short-term loans granted amounting to 21,400 thousand euros, mentioned previously.

The amount recorded under Other changes totalling 963 thousand euros relates mainly to the capitalisation of interest on the long-term loan that the Parent Company has with its employees.

Disposals in 2019 mainly corresponded to partial payment from employees amounting to 5,682 thousand euros, corresponding to loans granted to Group employees commented on in the previous paragraph.

The amount recorded under Other changes totalling 1,091 thousand euros relates to the capitalisation of interest on the long-term loan that the Parent Company has with its employees.

### a.3) Derivative financial instruments

Changes in valuation of financial instruments at 31 December 2020 and 31 December 2019 correspond to the change in the present value of implicit derivatives mainly due to the decrease in notional hedged as well as to the development of the exchange rates applicable to sales and purchase prices in certain customer and supplier contracts (Note 23.b.1)).

### a.4) Other financial assets

The amount recognised under "Other financial assets" at 31 December 2020 includes mainly guarantees and deposits, amounting to 11,440 thousand euros (11,928 thousand euros at 31 December 2019).

The most significant additions at 31 December 2020 corresponded mainly to the arrangement of deposits as guarantee for leases, amounting to 2,985 thousand euros.

The most significant disposals at 31 December 2020 mainly corresponded to the refund of deposits as guarantee for leases, amounting to 2,371 thousand euros.

The most significant additions at 31 December 2019 corresponded to the arrangement of deposits as guarantee for leases, amounting to 1,319 thousand euros.

The most significant disposals at 31 December 2019 mainly corresponded to the refund of deposits as guarantee for leases, amounting to 1,210 thousand euros.

### b) Current financial assets

The movement of non-current financial assets in 2020 and 2019 are the following:

	Thousands of euros		
	Loans granted	Current securities portfolio	Other financial assets
<b>Balance at December 31, 2018</b>	<b>35,320</b>	<b>4,316</b>	<b>54,622</b>
Additions	277	22,861	11,388
Disposals	(573)	(4,961)	(14,970)
Transfers	(12,448)	58	(58)
Other changes	(176)		8
Translation differences	(188)	(24)	(6,911)
<b>Balance at December, 31 2019</b>	<b>22,212</b>	<b>22,250</b>	<b>44,079</b>
Additions	501	1,516	5,239
Disposals	(497)	(20,739)	(17,816)
Transfers	(21,400)		
Other changes		4	93
Translation differences	(19)	1,161	(5,222)
<b>Balance at December, 31 2020</b>	<b>797</b>	<b>4,192</b>	<b>26,373</b>

#### b.1) Loans granted

The balance recorded under the heading Loans granted as at 31 December 2019 related mainly to the loan granted by the Parent Company to Gestión Global de Matricería, S.L. for 21,400 thousand euros (Note 32.1)). In 2020, the maturity of this loan has been modified, settling in December 2022, so it has been transferred to long-term loans granted (Note 12.a.2).

The amount relating to Transfers from 2019 mainly relates to the reclassification of the balance that Gestamp Brasil Industria de Autopeças, S.A. had with the Brazilian public authorities amounting to

12,794 thousand euros at 31 December 2018, which was transferred in 2019 to Receivables from public authorities.

### b.2) Current securities portfolio

The amount recorded under the Current securities portfolio at 31 December 2020 and 31 December 2019 corresponded mainly to:

- Short-term deposits arranged by Edscha do Brasil Ltda., amounting to 1,525 thousand euros (2,098 thousand euros at 31 December 2019), providing an average return of 2.75%.
- Short-term deposits arranged by the company Gestamp Pune Automotive Pvt, Ltd. for a total of 1,343 thousand euros (4,252 at 31 December 2019) and yielded an average return of 3.75%.
- Short-term deposits arranged by Gestamp Sorocaba Industria de Autopeças Ltda., amounting to 1,083 thousand euros (4,838 thousand euros at 31 December 2019), providing an average return of 2.75%.
- Short-term deposits arranged by the company Gestamp Automotive Chennai Private, Ltd for a total of 174 thousand euros (5,302 at 31 December 2019) and provided an average return of between 1.8% and 6.4%.

The most significant Disposals at 31 December 2020 correspond to the maturity of short-term deposits contracted by the companies Gestamp Pune Automotive Pvt, Ltd., Gestamp Automotive Chennai Private, Ltd. and Gestamp Sorocaba Industria de Autopeças Ltda.

The most significant additions at 31 December 2019 mainly corresponded to:

- Short-term deposits arranged during the year by Gestamp Automotive Chennai Private, Ltd. for a total of 5,244 thousand euros, all of which had not yet matured at 31 December 2019 and yielded an average return of 4.55%.
- Short-term deposits arranged during the year by Gestamp Pune Automotive Pvt, Ltd. for a total of 6,390 thousand euros, of which 4,252 were pending maturity at 31 December 2019 and yielded an average return of 7%.
- Short-term deposits during the year from the aforementioned company Edscha do Brasil, amounting to 1,812 thousand euros, as well as those from the company Gestamp Sorocaba Industria de Autopeças Ltda. amounting to 2,619 thousand euros.

The most significant Disposals at 31 December 2019 corresponded to the maturity of short-term deposits contracted by Gestamp Pune Automotive Pvt, Ltd. and Gestamp Metal Forming (Wuhan), Ltd. and Gestamp Pune Automotive Pvt, Ltd., for 1,784 thousand euros and 2,138 thousand euros, respectively.

### b.3) Other financial assets

The balance of Other financial assets at 31 December 2020 mainly includes bank deposits amounting to 25,387 thousand euros (42,589 thousand euros at 31 December 2019), and guarantees and deposits for 975 thousand euros (1,479 thousand euros at 31 December 2019).

The additions recorded as at 31 December 2020 relate mainly to bank deposits from Gestamp Cordoba, S.A. amounting to 1,264 thousand euros, Gestamp Togliatti, Llc amounting to 2,260 thousand euros and Gestamp Severstal Vsevolozhsk, Llc. amounting to 1,543 thousand euros.

The most significant Disposals at 31 December 2020 relate mainly to the cancellation of bank deposits of Gestamp Baires, S.A., Gestamp Automotive India Private, Ltd and Gestamp Autocomponents Chongqing totalling 17,367 thousand euros.

The additions recognised at 31 December 2019 related mainly to bank deposits from Gestamp Córdoba, S.A. amounting to 2,320 thousand euros, Gestamp Automotive India Private Ltd., amounting to 3,280 thousand euros and Gestamp Togliatti, Llc. amounting to 1,794

Disposals at 31 December 2019 related mainly to the cancellation of bank deposits of Gestamp Baires, S.A., Gestamp Córdoba, S.A. and Gestamp Automotive India Private, Ltd, totalling 14,527 thousand euros.

### Note 13. Inventories

The breakdown of this Consolidated Financial Statement heading at 31 December 2020 and 31 December 2019 is as follows:

	Thousands of euros	
	2020	2019
Commercial inventories	14,319	15,555
Raw materials	151,164	194,032
Parts and assemblies	65,707	73,484
Spare parts	100,960	119,160
Packaging materials	2,083	2,215
Total cost of raw materials and other supplies (*)	334,233	404,446
By-products, waste and recovered materials	146	884
Prepayments to suppliers	48,278	67,413
Total cost of inventories	382,657	472,743
Impairment of raw materials (*)	(14,276)	(12,181)
Impairment of other supplies (*)	(10,163)	(9,538)
Total impairment	(24,439)	(21,719)
<b>Total inventories</b>	<b>358,218</b>	<b>451,024</b>

(\*) The variation in raw materials and other supplies is recorded under "Raw materials and other consumables " in the Consolidated Income Statement and is detailed below:

	Thousands of euros					
	Balance at 2019	Change in inventories			Total	Balance at 2020
Impairment		Reversal of impairment	Changes in inventories			
Raw materials and other supplies	404,446			(70,213)	(70,213)	334,233
Impairment of raw materials and other supplies	(21,719)	(4,801)	2,081		(2,720)	(24,439)
Consumption (Note 27.a)	382,727	(4,801)	2,081	(70,213)	(72,933)	309,794

The inventories were not encumbered at 31 December 2020 nor 31 December 2019.



**Note 14. Assets from contracts with customers**

The breakdown of this Consolidated Balance Sheet heading is the following:

	Thousands of euros	
	2020	2019
Work in progress	100,829	110,748
Semi-finished products	93,170	103,542
Finished products	130,127	143,821
Trade receivables, tooling	145,116	180,289
<b>Total</b>	<b>469,242</b>	<b>538,400</b>

Trade receivables, tooling correspond to the income recognised pending invoicing. There are no prepayments exceeding the work-in-progress evaluation by customer. The amount of the construction certificates for tools in progress, which were recognised by reducing the balance of the Trade receivables, tooling heading at 31 December 2020 amounted to 890 million euros. Likewise, this item amounted to 1,117 million euros at 31 December 2019.

**Note 15. Trade and other receivables/Other current assets and liabilities/Cash and cash equivalents**

## a) Trade receivables for sales and services

	Thousands of euros	
	2020	2019
Trade receivables	393,628	606,780
Trade bills receivable	8,074	31,837
Trade receivables by work-in-progress, machinery	60,722	39,031
Trade receivables, doubtful collection	386	156
Impairment of trade receivables	(4,976)	(3,666)
Trade receivables, related parties (Note 32.1)	102,527	102,672
<b>Total</b>	<b>560,361</b>	<b>776,810</b>

As indicated in Note 1, Group sales, as well as trade receivable balances, are concentrated across a limited number of customers due to the nature of the automotive industry. In general, trade receivable balances have high credit quality.

The variation in the impairment provision at 31 December 2020 related to a provision of 3,140 thousand euros (31 December 2019: provision of 193 thousand euros) (Note 27.c), as well as written-off balances and translation differences.

The analysis of the age of the financial assets related to the sale of parts that had matured at 31 December 2020 and 2019 was as follows:

	Thousands of euros	
	2020	2019
Less than 3 months	3,171	41,461
Between 3 and 6 months	18,941	1,297
Between 6 and 9 months	2,678	6,529
Between 9 and 12 months	1,724	5,874
More than 12 months	8,546	8,075
Total outstanding past due receivables	35,060	63,236
Impairment provision	(4,976)	(3,666)
<b>Total</b>	<b>30,084</b>	<b>59,570</b>

The amounts of these past due financial assets that had not been provisioned relate to customers with no history of bad debts.

The amount of the collection rights not yet due assigned by the Group under the factoring without recourse agreements arranged with Spanish, German, Portuguese, French, UK, US, Brazilian, Mexican, Hungarian, Polish, Czech Republic, Romanian and Swedish banks, that were eliminated from the Consolidated Balance Sheet, amounted to 633,729 thousand euros and to 668,530 thousand euros at 31 December 2020 and 31 December 2019, respectively.

The expense recognised at 31 December 2020 for the assignment of the receivables under the non-recourse factoring contracts amounted to 6,171 thousand euros (10,843 thousand euros at 31 December 2019) (Note 28.b)).

#### b) Other receivables

	Thousands of euros	
	2020	2019
Debtors	12,781	12,423
Debtors, related parties (Note 32.1)	75	274
Remuneration prepayments	3,213	4,842
Short-term loans to staff	72	83
<b>Total</b>	<b>16,141</b>	<b>17,622</b>

#### c) Current tax assets

This line item amounted to 23,275 thousand euros at 31 December 2020 (31 December 2019: 41,649 thousand euros) and reflects the collection rights related to corporate tax refunds of the Parent Company and Group companies.

#### d) Receivables from public authorities

	Thousands of euros	
	2020	2019
Misc. receivables from tax authorities	215,960	229,968
VAT refunds	94,504	112,286
Subsidies granted	12,745	8,225
Income tax refunds	21,433	19,437
Other	87,278	90,020
Receivables from Social Security	1,806	1,422
<b>Total</b>	<b>217,766</b>	<b>231,390</b>

In previous years, Gestamp Brasil Industrias de Autopeças, S.A. filed several lawsuits claiming the right to exclude State Tax on Goods And Services (ICMS) from the calculation base of the contributions to

PIS (Programa de Integração Social) and COFINS (Contribuição para Financiamento da Seguridade Social).

At 31 December 2020, as a result of final judgments, the Parent Company had recognised 10,202 thousand euros (16,459 thousand euros at 31 December 2019) in this regard, together with the related late-payment interest, under Other in relation to various items receivable from the tax authorities.

#### e) Other current assets and liabilities

As at 31 December 2020, the net amount of current assets and current liabilities is 85,785 thousand euros (100,501 thousand euros as at 31 December 2019).

The breakdown is as follows:

	Thousands of euros	
	2020	2019
Operating expenses	32,108	47,540
Commercial agreements	50,636	53,514
Exchange rate derivative (Note 23.b.1))	416	1,311
Others	2,625	(1,864)
<b>Total</b>	<b>85,785</b>	<b>100,501</b>

#### f) Cash and cash equivalents

	Thousands of euros	
	2020	2019
Cash	1,910,408	573,385
Cash equivalents	394,225	85,196
<b>Total</b>	<b>2,304,633</b>	<b>658,581</b>

Cash equivalents correspond to deposits and cash investments maturing in less than three months. The breakdown by currency and interest rate at 31 December 2020 and 31 December 2019 is as follows:

Company	2020		
	Thousands of euros	Source currency	Interest rate range
Gestamp Automoción, S.A.	284,900	Euros	-0.20% - 0.01%
Gestamp Severstal Kaluga, LLC.	18,587	Russian ruble	3.25%-3.70%
Gestamp Brasil Industria de Autopeças, S.A.	60,738	Brazilian real	100% - 101% CDI
Gestamp Bizkaia, S.A.	10,000	Euros	0.00%
Gestamp Servicios, S.A.	10,000	Euros	0.00%
Gestamp Metalbages, S.A.	10,000	Euros	0.00%
<b>Total</b>	<b>394,225</b>		

Company	2019		
	Thousands of euros	Source currency	Interest rate range
Gestamp Severstal Kaluga, LLC.	22,220	Russian ruble	3.86%-5.5%
Gestamp Brasil Industria de Autopeças, S.A.	62,976	Brazilian real	100%-101% CDI
<b>Total</b>	<b>85,196</b>		

No restrictions existed regarding the use by the holders of the balances included in this heading in the accompanying Consolidated Balance Sheet.

**Note 16. Capital, own shares and share premium**

The information related to these headings at 31 December 2020 and 31 December 2019 was as follows:

ITEM	31-12-2020	31-12-2019
No. of shares	575,514,360	575,514,360
Par value	0.50	0.50
	<b>Thousands of euros</b>	
Issued capital (par value)	287,757	287,757
Own shares	(1,349)	(2,872)
Share premium	61,591	61,591

**a) Share capital**

The shareholder structure at 31 December 2020 and 2019 was as follows:

Shareholders	% shareholding	
	31-12-2020	31-12-2019
Acek Desarrollo y Gestión Industrial, S.L.	22.76%	19.69%
Gestamp 2020, S.L.	50.10%	50.10%
Own shares	0.07%	0.12%
Free Float	27.07%	30.09%
	100.00%	100.00%

Acek Desarrollo y Gestión Industrial, S.L. has an equity interest of 75% in the capital of Gestamp 2020, S.L.; thus, its total holding (direct and indirect) in the Parent Company was 60.33% at 31 December 2020 (57.26% at 31 December 2019).

The increase of 3.07% in the share capital of the Parent Company by Acek Desarrollo y Gestión Industrial, S.L. took place through the purchase of 17,675,835 shares in successive acquisitions during 2020.

There are no bylaw restrictions on the transfer of shares forming the Group's capital.

**b) Own shares**

On 27 July 2018, the Parent Company entered into a liquidity agreement with JB Capital Markets, S.V., S.A.U., adapted to Circular 1/2017, of 26 April, of the CNMV.

The framework of this agreement will be the Spanish stock markets.

This agreement stipulates the conditions under which the financial intermediary will operate for the account of the issuer, buying or selling own shares of the latter, with the sole objective of favouring the liquidity and regularity of their listing, for a duration of 12 months, which will be deemed to be tacitly extended for the same period unless indicated otherwise by the parties.

The amount earmarked to the cash account associated with the agreement was 9,000 thousand euros.

The own shares at 31 December 2020 represented 0.07% of the Parent Company's share capital (0.12% at 31 December 2019) and total 380,048 shares (688,549 at 31 December 2019), at an average acquisition price of 3.55 euros per share (4.17 at 31 December 2019).

The movement in 2020 and 2019 was as follows:

	Number of own shares	Thousands of euros
<b>Balance at December 31, 2018</b>	<b>1,078,834</b>	<b>6,041</b>
Increases/Purchases	11,706,626	54,488
Decreases/Sales	(12,096,911)	(57,657)
<b>Balance at December 31, 2019</b>	<b>688,549</b>	<b>2,872</b>
Increases/Purchases	12,011,344	32,885
Decreases/Sales	(12,319,845)	(34,408)
<b>Balance at December 31, 2020</b>	<b>380,048</b>	<b>1,349</b>

In 2020, the sales price of the own shares detailed in the previous table amounted to 33,758 thousand euros (56,783 thousand euros at 31 December 2019), generating a negative result of 650 thousand euros (874 thousand euros at 31 December 2019), which has been recorded under the heading of Unrestricted Reserves (Note 17.2).

#### c) Share premium

The share premium of the Parent Company amounted to 61,591 thousand euros at 31 December 2020 and 31 December 2019.

The amended Spanish Corporate Enterprises Act (Ley de Sociedades de Capital) expressly allows the use of share premium balance to increase share capital balance, corresponding to an unrestricted reserve.

## Note 17. Retained earnings

The movements in “Retained earnings” for 2020 and 2019 are as follows:

	Legal reserve (Parent Company)	Unrestricted reserves (Parent Company)	Reserves at fully consolidated companies	Reserves at associates	Profit for the year	Effective hedges	Total
<b>AT JANUARY 1, 2020</b>	57,550	478,969	1,222,743	(3,391)	212,272	(17,085)	1,951,058
Profit for the period					(151,055)		(151,055)
Fair value adjustments reserve (hedge) (Note 23.b.1)						11,075	11,075
Actuarial gains and losses			(7,022)				(7,022)
Appropriation of 2019 profits		(12,305)	222,517	2,060	(212,272)		(31,612)
Dividends distributed by the Parent Company (Note 17.2)		(31,612)					
Dividends distributed by subsidiaries (Note 17.2 and Note 19)		90,455	(90,455)				
Treasury shares acquisitions (Note 17.2)		(650)					(650)
Increased ownership interest in companies with previous control (Note 2.b)		975	(517)				(517)
Interest from participative loans			(9,389)				(9,389)
Other movements							
<b>AT DECEMBER 31, 2020</b>	57,550	525,832	1,336,902	(1,331)	(151,055)	(6,010)	1,761,888

	Legal reserve (Parent Company)	Unrestricted reserves (Parent Company)	Reserves at fully consolidated companies	Reserves at associates	Profit for the year	Effective hedges	Total
<b>AT JANUARY 1, 2019</b>	57,550	375,910	1,163,688	(3,344)	257,690	(22,076)	1,829,418
Profit for the period					212,272		212,272
Fair value adjustments reserve (hedge) (Note 23.b.1)						4,991	4,991
Actuarial gains and losses			(9,433)				(9,433)
Appropriation of 2018 profits		21,468	236,269	(47)	(257,690)		(77,575)
Dividends distributed by the Parent Company (Note 17.2)		(77,575)					
Dividends distributed by subsidiaries (Note 17.2 and Note 19)		167,390	(167,390)				
Treasury shares acquisitions (Note 17.2)		(874)					(874)
Interest from participative loans		5,276	(5,276)				
Other movements and adjustments from prior years		(12,626)	4,885				(7,741)
<b>AT DECEMBER 31, 2019</b>	57,550	478,969	1,222,743	(3,391)	212,272	(17,085)	1,951,058

## 17.1 Legal reserve of the Parent Company

The legal reserve of the Parent Company amounted to 57,550 thousand euros at 31 December 2020 and 31 December 2019.

The Parent Company must allocate 10% of profit for each year to set up a reserve fund until such fund reaches at least 20% of share capital, equivalent to 57.6 million euros at 31 December 2020 and 31 December 2019. This reserve cannot be distributed to shareholders and may only be used to cover, if no other reserves are available, the receivable balance of the income statement.

At 31 December 2018, the Legal Reserve had already reached 20% of the Parent Company's Share Capital; accordingly, in 2020 and 2019 it was not necessary to allocate any amount of profits to increase said reserve.

## 17.2 Unrestricted reserves of the Parent Company

The most significant changes in the Parent Company's unrestricted reserves at 31 December 2020 and 31 December 2019, in addition to the distribution of profits for 2019 amounting to 12,305 thousand euros of losses and for 2018 amounting to 21,468 thousand euros of profit, included in the retained earnings tables, were as follows:

### December 2020

- Reclassification of the interim dividend paid by the Parent Company in 2019, for the distribution of 2019 profits approved by the Board of Directors at its meeting of 18 May 2020, amounting to 31,612 thousand euros (Note 23.d).
- Distribution of dividends by various subsidiaries, amounting to 90,455 thousand euros, with a charge to their reserves or to the profit for the year, to the Parent Company during the fourth quarter of 2020 and which were paid at 31 December 2020.
- Result (loss) of the purchase and sale of own shares for 650 thousand euros (Note 16.b).

### December 2019

- Reclassification of the interim dividend paid by the Parent Company in 2018, for the distribution of 2018 profit approved by the Board of Directors at its meeting of 6 May 2019, amounting to 37,346 thousand euros.
- Distribution of a dividend of 40,229 thousand euros (0.07 euros gross per eligible Parent Company share) with a charge to voluntary reserves by the Parent Company, approved in the minutes of 6 May 2019. This dividend was paid on 5 July 2019.
- Distribution of dividends by various subsidiaries, amounting to 167,390 thousand euros, with a charge to their reserves or to the profit for the year, to the Parent Company during the fourth quarter of 2019 and which were paid at 31 December 2019.
- Result (loss) of the purchase and sale of own shares for 874 thousand euros (Note 16.b).



### 17.3 Availability of reserves at fully consolidated companies

Reserves held by companies consolidated under the full consolidation method are subject to a number of restrictions as to their availability depending on whether they are legal reserves, revaluation reserves or other special reserves.

The restrictions regarding the reserves mentioned above are the following:

a) Legal reserves at subsidiaries

According to prevailing legislation in the countries where these companies are located, legal reserves must reach a certain percentage of share capital, so that each year a percentage of net profit is applied to offset losses or increase share capital.

The amount of the legal reserve at 31 December 2020 and 31 December 2019 totalled 122,195 thousand euros and 116,005 thousand euros, respectively.

b) Reserve for the first-time application of IFRS (1 January 2007)

As a result of valuation of Property, plant and equipment at fair value, the land and buildings of certain subsidiaries were valued at their appraised values and an increase in reserves has been registered in the amount of the difference between the said assets' fair values and the net carrying amounts registered by each company.

The reserves deriving from these revaluations, net of tax, amounted to 118 million euros at 31 December 2020 and 120 million euros at 31 December 2019, respectively (Note 11). This reserve is not distributable.

c) Other reserves of subsidiaries

In accordance with the current legislation of the countries in which the Group operates, the distributions of dividends are governed by law. Also, restrictions exist relating to revaluation reserves, development costs and other legal restrictions, which are not significant.

### 17.4 Approval of the Financial Statements and proposed distribution of profit

The 2020 individual financial statements of the Group companies will be proposed for approval by their respective General Shareholders' Meetings within the periods envisaged by the prevailing legislation. The Parent Company's directors consider that, as a result of this process, no changes will occur that may significantly affect the Consolidated Financial Statements in 2020.

The Group's Consolidated Financial Statements for 2020 were prepared by the Board of Directors of the Parent Company at its meeting held on 24 February 2021. The Parent Company's Board of Directors considers that they will be approved by the General Shareholders' Meeting of the Parent Company without any changes.

The Parent Company's Board of Directors will propose the following distribution of its profit for the year ended 31 December 2020 to the General Shareholders' Meeting:

	<u>Thousands of euros</u>
<b>Distributable profit</b>	
Income Statement balance	(52.072)
<b>Application</b>	
Prior years' losses	(52.072)

#### Limitations to the dividends distribution

The Parent Company is obliged to transfer 10% of profit for the year to a legal reserve, until this reserve reaches at least 20% of share capital. The part of the reserve that does not exceed the limit of 20% of the share capital cannot be distributed to shareholders (Note 17.1).

Once the reserves required by Law have been covered, dividends can only be distributed with a charge to profit for the year or to unrestricted reserves, if the value of equity is not, or as a result of the distribution, it does not turn out to be less than the share capital. For these purposes, the profit allocated directly to equity cannot be directly or indirectly distributed. Should prior years' losses exist leading the value of the Parent Company's equity to be less than share capital, profit will be allocated to offset such losses.

Aside from these legal limitations, other contractual limitations exist, which are detailed in Note 23.

**Note 18. Translation differences**

The breakdown of translation differences assigned to each Group Segment is as follows:

Segment / Country	Thousands of euros		
	2020	2019	Difference
<b>Western Europe</b>			
Germany	347	2,153	(1,806)
Spain	(76,001)	(51,873)	(24,128)
France	(1)	-	(1)
Luxembourg	(1)	(1)	-
United Kingdom	(18,273)	(4,540)	(13,733)
Sweden	(63,876)	(8,409)	(55,467)
Morocco	82	88	(6)
<b>Eastern Europe</b>			
Slovakia	(917)	-	(917)
Hungary	(4,952)	(2,903)	(2,049)
Poland	(36,966)	(28,920)	(8,046)
Czech Republic	(3,997)	(2,580)	(1,417)
Romania	(213)	(122)	(91)
Russia	(73,315)	(54,842)	(18,473)
Turkey	(68,670)	(54,916)	(13,754)
Bulgaria	2	17	(15)
<b>Mercosur</b>			
Argentina	(77,529)	(73,632)	(3,897)
Brazil	(60,240)	(18,791)	(41,449)
<b>North America</b>			
USA	(26,458)	(19,711)	(6,747)
Mexico	(74,842)	(46,841)	(28,001)
<b>Asia</b>			
China	(9,081)	670	(9,751)
South Korea	1,831	3,234	(1,403)
India	(7,716)	(2,100)	(5,616)
Japan	189	527	(338)
Thailand	74	183	(109)
Taiwan	94	87	7
<b>Total</b>	<b>(600,429)</b>	<b>(363,222)</b>	<b>(237,207)</b>

Changes in translation differences in 2020 led to a negative net change of 237,207 thousand euros compared to 2019, mainly corresponding to:

- in Spain, mainly corresponding to exchange differences due to permanent financing in Brazilian reais granted to subsidiaries;
- in Western Europe due to the fluctuation of the Swedish krona and the pound sterling;
- in Eastern Europe due to fluctuations in the Russian rouble, Turkish lira and the Polish zloty;
- in North America mainly regarding the fluctuation of the Mexican peso;
- Mercosur regarding the fluctuation of Brazilian real; and
- in Asia due mainly to the fluctuation of the Chinese yuan renminbi, the Indian rupee and the Korean won.

Also, the translation differences in Argentina includes the effect of the inflation adjustment amounting to 30,903 thousand euros at 31 December 2020 (32,404 thousand euros at 31 December 2019) (Note 4.5).

## Note 19. Non-controlling interests

The changes in this heading, by company, in at 31 December 2020 and 31 December 2019 were as follows:

Company	Thousands of euros						31-12-2020
	31-12-2019	Translation differences	Dividends paid	Acquisition of non-controlling interests (control over the company previously)	Other changes	Profit (loss) for the year	
Gestamp Holding Rusia, S.L./Todlem, S.L./ Gestamp Severstal Vsevolozhsk LLC./ Gestamp Severstal Kaluga, LLC.	24,093	(6,260)			270	(4,007)	14,096
Gestamp Auto Components (Kunshan) Co., Ltd./Gestamp Holding China, AB	40,798	(961)			20	719	40,576
Shanghai Edscha Machinery Co., Ltd.	10,478	(137)			132	(1,098)	9,375
Edscha Pha, Ltd.	12,101	(364)			126	2,016	13,879
Edscha Aapico Automotive Co. Ltd.	1,298	(142)	(388)		(8)	327	1,087
Sofedit, SAS	18	-				(17)	1
Gestamp Wrocław, sp. Z.o.o.	(2)	-					(2)
Gestamp Brasil Industria Autopeças, S.A.	38,989	(10,573)			672	(5,788)	23,300
G. Holding Argentina, S.L. and Argentinian companies	3,698	(1,672)			230	(4,784)	(2,528)
G. Holding México, S.L. and Mexican companies	111,422	(8,073)			2,375	(161)	105,563
G. North America, INC and North American companies	82,058	(3,363)			(974)	(14,706)	63,015
Mursolar 21, S.L./Gestamp A. Shenyang, Co. Ltd./Gestamp A. Dongguan, Co. Ltd.	55,441	(1,037)			119	10,126	64,649
Beyçelik Gestamp Kalip, A.S. / Çelik Form Gestamp Otomotive, A.S./ Beyçelik Gestamp Teknoloji Kalip, A.S./Gestamp Beyçelik Romania, S.R.L./Beyçelik Gestamp Sasi, L.S.	40,994	(7,067)	(6,649)	(1,540)	283	10,433	36,454
Gestamp Automotive India Private Ltd.	39,284	(4,620)			(10)	6,592	41,246
Jui Li Edscha Body System Co. Ltd./Jui Li Edscha Hainan Industry Enterprise Co. Ltd./ Jui Li Edscha Holding Co. Ltd.	2,805	(110)	(377)		(28)	337	2,627
Gestamp Sorocaba Industria de Autopeças Ltd.	659	(1,864)			28	(391)	(1,568)
Tuyauto Gestamp Morocco	677	(5)			214	(976)	(90)
Gestamp Etem Automotive Bulgaria, S.A.	4,990	(15)			(72)	132	5,035
Gestamp Auto Components (Tianjin) Co. Ltd./Gestmp Auto Components Beijing Co. Ltd.	19,605	(604)			-	(28)	8,445
<b>Total</b>	<b>489,406</b>	<b>(46,867)</b>	<b>(7,414)</b>	<b>(1,540)</b>	<b>3,349</b>	<b>7,199</b>	<b>444,133</b>

The most significant changes in Non-controlling Interests at 31 December 2020 related to:

- On 11 March 2020, the subsidiary Beyçelik Gestamp Kalip, A.S. acquired 30% of Gestamp Beyçelik Romania, S.R.L. (see note 2.b)).
- Dividends paid by Beyçelik Gestamp Kalip, A.S., Beyçelik Gestamp Sasi, L.S., Çelik Form Otomotiv, A.S. and Beyçelik Gestamp Teknoloji Kalip, A.S. on 24 March 2020.

Company	Thousands of euros						
	31-12-2018	Changes in scope of consolidation	Translation differences	Dividends paid	Other changes	Profit (loss) for the year	31-12-2019
Gestamp Holding Rusia, S.L./Todlem, S.L./ Gestamp Severstal Vsevolzhsk LLC./ Gestamp Severstal Kaluga, LLC.	15,848		2,944		3	5,298	24,093
Gestamp Auto Components (Kunshan) Co., Ltd./Gestamp Holding China, AB	39,810		251		(30)	767	40,798
Shanghai Edscha Machinery Co., Ltd.	10,884		113		(2)	(517)	10,478
Edscha Pha, Ltd.	9,162		(256)		(7)	3,202	12,101
Edscha Aapico Automotive Co. Ltd.	1,359		70	(646)	(3)	518	1,298
Sofedit, SAS	18						18
Gestamp Wroclaw, sp. Z.o.o.	(2)						(2)
Gestamp Brasil Industria Autopeças, S.A.	32,745		(484)		974	5,754	38,989
G. Holding Argentina, S.L. and Argentinian companies	5,706		(356)		205	(1,857)	3,698
G. Holding México, S.L. and Mexican companies	100,186		3,258		1,049	6,929	111,422
G. North America, INC and North American companies	88,199		1,915		(2,171)	(5,885)	82,058
Mursolar 21, S.L./Gestamp A. Shenyang, Co. Ltd./Gestamp A. Dongguan, Co. Ltd.	47,438		114		(397)	8,286	55,441
Beyçelik Gestamp Kalip, A.S. / Çelik Form Gestamp Otomotive, A.S./ Beyçelik Gestamp Teknoloji Kalip, A.S./ MPO Providers rez. S.R.L./Beyçelik Gestamp Sasi, L.S.	30,702		1,286	(8,845)	300	17,551	40,994
Gestamp Automotive India Private Ltd.	32,583		(142)			6,843	39,284
Jui Li Edscha Body System Co. Ltd./Jui Li Edscha Hainan Industry Enterprise Co. Ltd./Jui Li Edscha Holding Co. Ltd.	2,540		21	(205)		449	2,805
Gestamp Sorocaba Industria de Autopeças Ltd.	356		(99)		(48)	450	659
Tuyauto Gestamp Morocco	1,727		29		(61)	(1,018)	677
Gestamp Etem Automotive Bulgaria, S.A.	-	4,854	16		(11)	131	4,990
Gestamp Auto Components (Tianjin) Co. Ltd./Gestamp Auto Components Beijing Co. Ltd.	11,736		(20)		(73)	7,962	19,605
<b>Total</b>	<b>430,997</b>	<b>4,854</b>	<b>8,660</b>	<b>(9,696)</b>	<b>(272)</b>	<b>54,863</b>	<b>489,406</b>

The most significant changes in Non-controlling Interests at 31 December 2019 related to:

- The incorporation of Gestamp Etem Automotive Bulgaria, S.A. of which 51% was acquired, generating non-controlling interests for the remaining 49% (Note 2.b).
- Dividends paid by Beyçelik Gestamp Kalip, A.S. and Beyçelik Gestamp Teknoloji Kalip, A.S. on 28 March 2019.

The most significant non-controlling interests mentioned in this Note have protecting rights mainly related to significant decisions on divestments of fixed assets, company restructuring, granting of guarantees, distribution of dividends and changes in articles of association. These protecting rights do not significantly restrict the Group capacity to access to or to use their assets as well as to liquidate their liabilities.

The financial information of the subsidiaries that have significant non-controlling interests is shown in the following table, which was prepared as follows:

- Taking as a base the individual financial statements of each subgroup, except for the United States, Argentina, Mexico and Brazil, for which the consolidated financial statements were taken.
- These financial statements are presented in line with the Group's criteria.
- They do not include inter-company eliminations performed in the consolidation of the Gestamp Automoción Group.
- The remaining consolidation adjustments performed in the consolidation of the Gestamp Automoción Group are presented in an additional line.

Condensed Income Statement for 31 December 2020 and 31 December 2019:

2020									
Item	USA Subgroup	Argentina Subgroup	Mexico Subgroup	Brazil Subgroup	Beyçelik Gestamp Kalip, A.S Subgroup	Gestamp Holding China Subgroup	Mursolar Subgroup	Todlem Subgroup	Total
Operating income	1,177,978	64,780	396,062	296,734	427,417	112,275	198,457	112,766	2,786,469
Operating expense	(1,208,243)	(72,868)	(393,301)	(290,492)	(378,679)	(110,845)	(164,271)	(108,445)	(2,727,144)
<b>Operating profit</b>	<b>(30,265)</b>	<b>(8,088)</b>	<b>2,761</b>	<b>6,242</b>	<b>48,738</b>	<b>1,430</b>	<b>34,186</b>	<b>4,321</b>	<b>59,325</b>
Financial profit	(33,363)	(2,069)	(6,228)	(6,965)	5,184	1,444	(773)	(1,474)	(44,244)
Exchange gain (losses)	(1,891)	(3,758)	(14,372)	(10,959)	(23,969)	(51)	590	(13,497)	(67,907)
Impairment and other	-	(351)	(7,829)	(1,046)	-	-	-	-	(9,226)
<b>Profit before taxes</b>	<b>(65,519)</b>	<b>(14,266)</b>	<b>(25,668)</b>	<b>(12,728)</b>	<b>29,953</b>	<b>2,823</b>	<b>34,003</b>	<b>(10,650)</b>	<b>(62,052)</b>
Income tax expense	23,348	(964)	25,475	(6,646)	101	-	40	226	41,580
Profit for the year from discontinued operations net of taxes	-	-	-	-	-	-	-	-	-
Non-controlling interest	-	1,113	-	-	-	-	-	-	1,113
<b>Profit attributable to parent company</b>	<b>(42,171)</b>	<b>(14,117)</b>	<b>(193)</b>	<b>(19,374)</b>	<b>30,054</b>	<b>2,823</b>	<b>34,043</b>	<b>(10,424)</b>	<b>(19,359)</b>
Gain (Loss) attributable to non-controlling interest	30%	30%	30%	30%	50%	31.05%	35.00%	41.87%	698
Consolidation adjustments	(2,055)	(549)	(103)	24	(4,594)	(158)	(1,789)	360	(8,864)
Non-controlling interest profit	(14,706)	(4,784)	(161)	(5,788)	10,433	719	10,126	(4,005)	(8,166)
Other subgroup non-controlling interest	-	-	-	-	-	-	-	(2)	(2)
Onther non-significative non-controlling interest	-	-	-	-	-	-	-	-	15,367
<b>Total profit (loss) attributable to non-controlling interests</b>	<b>(14,706)</b>	<b>(4,784)</b>	<b>(161)</b>	<b>(5,788)</b>	<b>10,433</b>	<b>719</b>	<b>10,126</b>	<b>(4,007)</b>	<b>7,199</b>

2019									
Item	USA Subgroup	Argentina Subgroup	Mexico Subgroup	Brazil Subgroup	Beyçelik Gestamp Kalip, A.S Subgroup	Gestamp Holding China Subgroup	Mursolar Subgroup	Todlem Subgroup	Total
Operating income	1,398,696	130,350	534,036	492,092	480,564	125,980	204,625	161,885	3,528,229
Operating expense	(1,376,752)	(127,737)	(496,118)	(438,417)	(433,323)	(123,947)	(175,791)	(149,218)	(3,321,303)
<b>Operating profit</b>	<b>21,944</b>	<b>2,614</b>	<b>37,918</b>	<b>53,676</b>	<b>47,241</b>	<b>2,033</b>	<b>28,834</b>	<b>12,667</b>	<b>206,926</b>
Financial profit	(40,262)	(5,854)	(10,090)	(19,523)	(2,051)	1,283	(1,919)	(1,656)	(80,072)
Exchange gain (losses)	(143)	(1,944)	12,528	(2,064)	(14,015)	(19)	1,228	7,468	3,029
Impairment and other	-	-	3,067	(299)	(424)	-	-	-	2,345
<b>Profit before taxes</b>	<b>(18,461)</b>	<b>(5,194)</b>	<b>43,424</b>	<b>31,790</b>	<b>30,751</b>	<b>3,297</b>	<b>28,143</b>	<b>18,479</b>	<b>132,229</b>
Income tax expense	(995)	2,073	(13,788)	(11,381)	13,102	(185)	(3,609)	(4,241)	(19,025)
Non-controlling interest	-	297	-	-	-	-	-	-	297
<b>Profit attributable to parent company</b>	<b>(19,456)</b>	<b>(2,824)</b>	<b>29,636</b>	<b>20,408</b>	<b>43,853</b>	<b>3,112</b>	<b>24,534</b>	<b>14,238</b>	<b>113,501</b>
Gain (Loss) attributable to non-controlling interest	30%	30%	30%	30%	50%	31.05%	35.00%	41.87%	45,770
Consolidation adjustments	(48)	(1,010)	(1,962)	(368)	(4,513)	(199)	(301)	(656)	(9,057)
Non-controlling interest profit	(5,885)	(1,857)	6,929	5,754	17,414	767	8,286	5,305	36,713
Other subgroup non-controlling interest	-	-	-	-	137	-	-	(7)	130
Onther non-significative non-controlling interest	-	-	-	-	-	-	-	-	18,020
<b>Total profit (loss) attributable to non-controlling interests</b>	<b>(5,885)</b>	<b>(1,857)</b>	<b>6,929</b>	<b>5,754</b>	<b>17,551</b>	<b>767</b>	<b>8,286</b>	<b>5,298</b>	<b>54,863</b>

## Condensed Balance Sheet at 31 December 2020 and 31 December 2019:

2020									
Item	USA Subgroup	Argentina Subgroup	Mexico Subgroup	Brazil Subgroup	Beyçelik Gestamp Kalip, A.S Subgroup	Gestamp Holding China Subgroup	Mursolar Subgroup	Todlem Subgroup	Total
Total non-current assets	1,371,946	46,959	297,167	240,151	103,795	51,841	109,049	68,540	2,289,448
Total current assets	357,130	20,331	337,715	152,994	230,799	132,045	110,603	50,054	1,391,671
Total non-current liabilities	(1,054,156)	(9,447)	(231,052)	(141,500)	(48,172)	(633)	(8,362)	(54,839)	(1,548,161)
Total current liabilities	(481,141)	(53,194)	(114,088)	(141,067)	(215,082)	(54,303)	(18,814)	(32,981)	(1,110,670)
Equity	(166,275)	(67,112)	(397,025)	(169,940)	(119,052)	(125,912)	(197,343)	(86,992)	(1,329,651)
Translation differences	(27,504)	62,463	107,283	59,362	47,712	(3,038)	4,867	56,218	307,363
Equity attributable to non-controlling interest	30%	30%	30%	30%	50%	31.05%	35.00%	41.87%	-
Consolidation adjustments	(4,881)	3,923	(18,640)	9,873	(783)	(537)	2,718	(1,211)	(9,538)
Non-controlling interest	(63,015)	2,528	(105,563)	(23,300)	(36,454)	(40,576)	(64,649)	(14,096)	(345,125)
Other not significative non-controlling interest	-	-	-	-	-	-	-	-	(99,008)
<b>Total non-controlling interests</b>	<b>(63,015)</b>	<b>2,528)</b>	<b>(105,563)</b>	<b>(23,300)</b>	<b>(36,454)</b>	<b>(40,576)</b>	<b>(64,649)</b>	<b>(14,096)</b>	<b>(444,133)</b>

2019									
Item	USA Subgroup	Argentina Subgroup	Mexico Subgroup	Brazil Subgroup	Beyçelik Gestamp Kalip, A.S Subgroup	Gestamp Holding China Subgroup	Mursolar Subgroup	Todlem Subgroup	Total
Total non-current assets	1,154,687	56,097	414,599	290,248	132,638	60,613	117,652	94,617	2,321,152
Total current assets	591,274	33,352	236,607	196,171	191,490	170,664	98,143	70,024	1,587,724
Total non-current liabilities	(768,483)	(11,392)	(27,257)	(72,742)	(64,823)	(649)	(9,221)	(51,651)	(1,006,219)
Total current liabilities	(688,946)	(52,662)	(314,819)	(285,858)	(180,289)	(101,472)	(44,758)	(58,392)	(1,727,196)
Equity	(251,522)	(82,663)	(364,811)	(145,395)	(113,467)	(123,023)	(163,639)	(95,945)	(1,340,465)
Translation differences	(37,010)	57,267	55,681	17,577	34,451	(6,133)	1,823	41,347	165,004
Equity attributable to non-controlling interest	30%	30%	30%	30%	50%	31.05%	35.00%	41.87%	-
Consolidation adjustments	4,502	3,921	(18,683)	(644)	(1,485)	(695)	1,195	(1,233)	(13,122)
Non-controlling interest	(82,058)	(3,698)	(111,422)	(38,989)	(40,994)	(40,798)	(55,441)	(24,093)	(397,493)
Other not significative non-controlling interest	-	-	-	-	-	-	-	-	(91,913)
<b>Total non-controlling interests</b>	<b>(82,058)</b>	<b>(3,698)</b>	<b>(111,422)</b>	<b>(38,989)</b>	<b>(40,994)</b>	<b>(40,798)</b>	<b>(55,441)</b>	<b>(24,093)</b>	<b>(489,406)</b>

## Condensed Cash Flow Statement for 31 December 2020 and 31 December 2019:

Item	2020							
	USA Subgroup	Argentina Subgroup	Mexico Subgroup	Brazil Subgroup	Beyçelik Gestamp Kalip, A.S Subgroup	Gestamp Holding China Subgroup	Mursolar Subgroup	Todlem Subgroup
Operating activities	174,668	10,481	113,218	53,775	73,012	14,383	56,225	2,084
Investing activities	(301,997)	(800)	(57,191)	(51,740)	(21,717)	(3,639)	(59,736)	(75,619)
Financing activities	(3,559)	(8,456)	123,567	732	(3,053)	(44,094)	(22,443)	69,804
<b>Net increase (decrease) of cash or cash equivalents</b>	<b>(130,888)</b>	<b>1,225</b>	<b>179,593</b>	<b>2,767</b>	<b>48,242</b>	<b>(33,350)</b>	<b>(25,954)</b>	<b>(3,731)</b>

Item	2019							
	USA Subgroup	Argentina Subgroup	Mexico Subgroup	Brazil Subgroup	Beyçelik Gestamp Kalip, A.S Subgroup	Gestamp Holding China Subgroup	Mursolar Subgroup	Todlem Subgroup
Operating activities	141,199	(23,128)	9,231	69,860	99,518	23,271	38,522	20,264
Investing activities	(177,052)	(1,442)	(46,700)	(51,712)	(36,915)	(9,265)	(39,707)	26,582
Financing activities	(9,496)	(35,146)	7,700	(44,905)	(42,973)	17,352	(30,305)	(35,935)
<b>Net increase (decrease) of cash or cash equivalents</b>	<b>(45,349)</b>	<b>(59,716)</b>	<b>(29,769)</b>	<b>(26,756)</b>	<b>19,630</b>	<b>31,358</b>	<b>(31,490)</b>	<b>10,911</b>

## Note 20. Deferred income

Deferred income includes grants related to assets obtained by Group subsidiaries, pending release to the Consolidated Income Statement.

The variation in this heading at 31 December 2020 and 31 December 2019 was as follows:

	Thousands of euros
<b>Balance at December 31, 2018</b>	<b>22,695</b>
Grants received during the financial year	6,201
Grants returned during the financial year	(368)
Grants released to income in the year (Note 26.b))	(5,407)
Translation differences	77
Other changes	462
<b>Balance at December 31, 2019</b>	<b>23,660</b>
Grants received during the financial year	18,342
Grants released to income in the year (Note 26.b))	(4,823)
Translation differences	(376)
Other changes	678
<b>Balance at December 31, 2020</b>	<b>37,481</b>

The Group companies are able to meet all the requirements demanded by administrative resolutions regarding the awarding of subsidies to qualify as non-reimbursable grants.

## Note 21. Provisions and contingent liabilities

The detail for this item, at 31 December 2020 and 31 December 2019 was as follows:

	Thousands of euros					
	Non-current		Current		Total	
	2020	2019	2020	2019	2020	2019
Provisions	167,566	139,971	34,546	16,555	202,112	156,525
Uncertain tax position liabilities	7,753	7,609	-	-	7,753	7,609
	<b>175,319</b>	<b>147,580</b>	<b>34,546</b>	<b>16,555</b>	<b>209,865</b>	<b>164,135</b>



## Provisions

The breakdown and changes in this heading during 2020 and 2019 are as follows:

	Thousands of euros					
	Non-current		Current		Total	
	2020	2019	2020	2019	2020	2019
Provision for employee compensation (Note 22)	133,709	115,009	1,077	298	134,786	115,307
Provision for other responsibilities	33,857	24,962	33,469	16,257	67,326	41,219
	<b>167,566</b>	<b>139,971</b>	<b>34,546</b>	<b>16,555</b>	<b>202,112</b>	<b>156,525</b>

	Provision for employee compensation	Provision for other responsibilities	Total
<b>Balance at December 31, 2018</b>	<b>101,125</b>	<b>30,855</b>	<b>131,980</b>
Additions	18,297	19,910	38,207
Disposals	(3,531)	(15,290)	(18,821)
Translation differences	(166)	(495)	(661)
Other movements	(418)	6,239	5,821
<b>Balance at December 31, 2019</b>	<b>115,307</b>	<b>41,219</b>	<b>156,526</b>
Additions	26,463	47,326	73,789
Disposals	(6,237)	(17,274)	(23,511)
Translation differences	(1,164)	(4,324)	(5,488)
Other movements	417	379	796
<b>Balance at December 31, 2020</b>	<b>134,786</b>	<b>67,326</b>	<b>202,112</b>

### *Provision for employee compensation*

According to the commitments undertaken, the Group has legal, contractual and implicit obligations to staff of certain subsidiaries whose amount or maturity is uncertain.

In 2020, the long-term Incentive Plan was changed, with the end of 2022 as the new date for assessing the meeting of objectives and the first half of 2023 as the settlement period.

The provision for long term defined benefit plans is quantified considering the possible affected assets according to the registration and valuation standards.

Additions at 31 December 2020 and in 2019 mainly correspond to:

- Provisions for employee remuneration regarding seniority awards and other benefits for remaining at the company.
- Provisions for employee compensation based on a long-term incentive plan.

Disposals at 31 December 2020 and in 2019 mainly correspond to reversals of long term employee compensation provisions.

### *Provision for other responsibilities*

This line item primarily reflects provisions recognised by certain Group companies to cover specific risks arising from their day-to-day businesses and provisions for personnel restructuring.

The additions in 2020 and 2019 relate mainly to provisions for other commercial operations and litigation.

In addition, the Group recognised a provision amounting to 20 million euros arising from COVID-19, corresponding to the estimated costs to be incurred in restructuring and adapting the production structures to the new expected situation. This amount is included in the Provisions mentioned in Note 1.

The disposals at 31 December 2020 relate mainly to hedges of risks arising from the companies' own activities and to other litigation. The decreases in 2019 related mainly to provisions labour contingencies and other litigation.

The Group's directors consider that provisions registered in the Consolidated Balance Sheet duly cover the risks for litigations, arbitration and other contingencies, and no additional related liabilities are expected.

#### Uncertain tax positions liabilities

The changes in this heading during 2020 and 2019 are as follows:

	Ucertain tax position liabilities
<b>Balance at December 31, 2018</b>	<b>3,181</b>
Additions	4,428
Disposals	-
Translation differences	-
Other movements	-
<b>Balance at December 31, 2019</b>	<b>7,609</b>
Additions	144
Disposals	-
Translation differences	-
Other movements	-
<b>Balance at December 31, 2020</b>	<b>7,753</b>

The Group basically books the estimated amount of tax debts related to tax assessments commenced by the tax authorities and currently appealed against before the courts and others whose exact amount or payment date is uncertain.

At 31 December 2020 and 2019, the Group has no significant contingent liabilities in addition to those included above.

**Note 22. Provision for employee compensations**

The detail of the amounts recognised as provisions for remuneration to employees was as follows:

Item		Non-current		Current		Total	
		2020	2019	2020	2019	2020	2019
Employee benefits	a)	35,972	26,111	1,077	298	37,049	26,409
Post-employment benefits							
Defined benefit plans	b)	97,737	88,898	-	-	97,737	88,898
<b>Total (Note 21)</b>		<b>133,709</b>	<b>115,009</b>	<b>1,077</b>	<b>298</b>	<b>134,786</b>	<b>115,307</b>

## a) Employee benefits

The amount recognised as remuneration to employees includes the amounts provisioned by certain Group companies for long-service bonuses and other benefits for remaining at the company (anniversaries, retirement, medals, etc.), as well as the long-term incentive plan.

## b) Defined benefit plans

The Group has defined benefit pension plans. The main pension plans relate to various companies located in Germany and France. These plans include plans partially financed by an investment fund and plans not financed through the fund.

The risks associated with the different defined benefit plans are those inherent to the pension plans that are not financed by an external fund without recourse to the employer. Furthermore, other risks associated with defined benefit plans common both to the plans partially financed and to the unfinanced plans, are of a demographic nature, such as the mortality and longevity of the employees included in the plan, and those of a financial nature, such as pension increase rates based on inflation.

The balance recognised at 31 December 2020 and 31 December 2019, corresponding to those plans, broken down by country, was as follows:

Item	Thousand of euros		
	Germany	France	Total
Present value of the defined benefit obligation	93,493	10,133	103,626
Fair value of plan assets and reimbursement rights	(4,378)	(1,511)	(5,889)
<b>Value of defined benefit obligation at December 31, 2020</b>	<b>89,115</b>	<b>8,622</b>	<b>97,737</b>

Item	Thousand of euros		
	Germany	France	Total
Present value of the defined benefit obligation	85,564	9,424	94,988
Fair value of plan assets and reimbursement rights	(4,532)	(1,558)	(6,090)
<b>Value of defined benefit obligation at December 31, 2019</b>	<b>81,032</b>	<b>7,866</b>	<b>88,898</b>

The changes in the present value of the defined benefit liabilities are as follows:

	Thousand of euros		
	Germany	France	Total
<b>Present value of the defined benefit obligation at December 31, 2018</b>	<b>74,475</b>	<b>9,357</b>	<b>83,832</b>
Current service cost year 2019	3,073	480	3,553
Gains and losses arising from settlements	-	-	-
Interest income or expense	1,300	141	1,441
<b>Pension cost charged to profit and loss at 2019</b>	<b>4,373</b>	<b>621</b>	<b>4,994</b>
Payments from the plan except any settlements	(2,530)	(303)	(2,833)
Payments from plan settlements	(9)	-	(9)
Actuarial gains and losses arising from changes in demographic assumptions	(761)	(155)	(916)
Actuarial gains and losses arising from changes in financial assumptions	9,793	1,028	10,821
Actuarial gains and losses attributable to non-controlling interests	-	-	-
Tax effect	(468)	-	(468)
<b>Remeasurements of the net defined benefit liability</b>	<b>8,564</b>	<b>873</b>	<b>9,437 (*)</b>
Effect of disposals	-	-	-
Other effects	691	(1,124)	(433)
<b>Present value of the defined benefit obligation at December 31, 2019</b>	<b>85,564</b>	<b>9,424</b>	<b>94,988</b>
Current service cost year 2020	3,285	540	3,825
Gains and losses arising from settlements	-	-	-
Interest income or expense	768	79	847
<b>Pension cost charged to profit and loss at 2020</b>	<b>4,053</b>	<b>619</b>	<b>4,672</b>
Payments from the plan except any settlements	(2,552)	(309)	(2,861)
Payments from plan settlements	-	-	-
Actuarial gains and losses arising from changes in demographic assumptions	1,118	431	1,549
Actuarial gains and losses arising from changes in financial assumptions	5,417	(32)	5,385
Actuarial gains and losses attributable to non-controlling interests	-	-	-
Tax effect	(107)	-	(107)
<b>Remeasurements of the net defined benefit liability</b>	<b>6,428</b>	<b>399</b>	<b>6,827 (**)</b>
Effect of disposals	-	-	-
Other effects	-	-	-
<b>Present value of the defined benefit obligation at December 31, 2020</b>	<b>93,493</b>	<b>10,133</b>	<b>103,626</b>

The changes in the fair value of the assets used in the plan are as follows:

	Thousand of euros		
	Germany	France	Total
<b>Fair value of plan assets and reimbursement rights at December 31, 2018</b>	<b>4,452</b>	<b>1,779</b>	<b>6,231</b>
Interest income or expense	80	73	153
<b>Pension cost charged to profit and loss at 2019</b>	<b>80</b>	<b>73</b>	<b>153</b>
Payments from the plan except any settlements	-	(298)	(298)
Return on plans assets, excluding amounts included in interest	-	-	-
Actuarial gains and losses arising from changes in demographic assumptions	-	4	4
Actuarial gains and losses attributable to non-controlling interests	-	-	-
<b>Remeasurements of the net defined benefit liability</b>	<b>-</b>	<b>4</b>	<b>4 (*)</b>
Contributions to the plan by the employer	-	-	-
<b>Fair value of plan assets and reimbursement rights at December 31, 2019</b>	<b>4,532</b>	<b>1,558</b>	<b>6,090</b>
Interest income or expense	41	12	53
<b>Pension cost charged to profit and loss at 2020</b>	<b>41</b>	<b>12</b>	<b>53</b>
Payments from the plan except any settlements	-	(59)	(59)
Return on plans assets, excluding amounts included in interest	-	-	-
Actuarial gains and losses arising from changes in financial assumptions	(195)	-	(195)
Actuarial gains and losses attributable to non-controlling interests	-	-	-
<b>Remeasurements of the net defined benefit liability</b>	<b>(195)</b>	<b>-</b>	<b>(195) (**)</b>
<b>Fair value of plan assets and reimbursement rights at December 31, 2020</b>	<b>4,378</b>	<b>1,511</b>	<b>5,889</b>

(\*\*) The amount recognised as actuarial gains and losses at 31 December 2020, included as an decrease in the Statement of Changes in Equity, amounted to 7,022 thousand euros (6,827 thousand euros corresponding to the change in value of the defined benefit liabilities and 195 thousand euros corresponding to the change in value of the assets used in the plan).

(\*) The amount recognised as actuarial gains and losses at 31 December 2019, included as an decrease in the Statement of Changes in Equity, amounted to 9,433 thousand euros (9,437 thousand euros corresponding to the change in value of the defined benefit liabilities and 4 thousand euros corresponding to the change in value of the assets used in the plan).

The breakdown of the expense recognised in the Consolidated Income Statement, relating to these plans, is as follows:

Item	Thousand of euros					
	Germany		France		Total	
	2020	2019	2020	2019	2020	2019
Current services cost	3,285	3,073	540	480	3,825	3,553
Gains and losses arising from settlements	-	-	-	-	-	-
Net interest on the net defined benefit liability (asset)	727	1,220	67	68	794	1,288
<b>Total expense recognised in profit or loss</b>	<b>4,012</b>	<b>4,293</b>	<b>607</b>	<b>548</b>	<b>4,619</b>	<b>4,841</b>

The main asset categories used in the plan and their fair value are as follows:

Item	Thousand of euros			
	Germany		France	
	2020	2019	2020	2019
Investments quoted in active markets				
Mixed investment funds in Europe	4,393	4,554	1,515	1,558
	<b>4,393</b>	<b>4,554</b>	<b>1,515</b>	<b>1,558</b>

The main assumptions used to determine the defined benefit obligation are as follows:

Item	Germany		France	
	2020	2019	2020	2019
Discount rate	0.4% - 0.8%	0.9% - 2.0%	0.8%	0.8%
Expected rate of return on any plan assets	0% - 0.4%	0% - 1.8%	1.6%	1.6%
Future salary increases rate	2.5%	2.5%	2.0%	2.0%
Future pension increases rate	1.5%	1.5%	1.5%	1.5%
Inflation rate	2.0%	2.0%	2.0%	2.0%
Mortality table	RT 2018 G Dr. Klaus Heubeck	RT 2018 G Dr. Klaus Heubeck	INSEE F 2008-2010	INSEE F 2008-2010
Rates of employee turnover, disability and early retirement	Aon Hewitt Standard tables, RT 2018 G Dr. Klaus Heubeck, 63	RT 2018 G Dr. Klaus Heubeck, 63	2.00%	2.00%
Proportion of plan members with dependants who will be eligible for benefits	100.0%	100.0%	-	-
Percentage of taxes payable by the plan on contributions relating to service before the reporting date or on benefits resulting from that service	2.0%	2.0%	2.0%	2.0%

The sensitivity analyses of the value of the obligation for defined benefits faced with changes in the main assumptions at 31 December 2020 and 31 December 2019 are as follows:

Assumptions	Sensitivity	2020			
		Germany		France	
		Increase	Decrease	Increase	Decrease
Discount rate					
Increase	0.5%		6,846		
Decrease	0.5%	7,599			
Increase	0.3%				9,574
Decrease	0.3%			10,463	
Future pension increases rate					
Increase	0.5%	3,166			
Decrease	0.5%		2,940		
Future salary increases rate					
Increase	0.25%			9,648	
Decrease	0.25%				10,379
Increase	0.5%	36			
Decrease	0.5%		33		
Mortality rate					
Decrease	1 year	1,833			

Assumptions	Sensitivity	2019			
		Germany		France	
		Increase	Decrease	Increase	Decrease
Discount rate					
Increase	0.5%		6,102		8,319
Decrease	0.5%	6,779		10,554	
Future pension increases rate					
Increase	0.5%	2,843			
Decrease	0.5%		2,581		
Future salary increases rate					
Increase	0.25%			9,699	
Decrease	0.25%				9,011
Increase	0.5%	56			
Decrease	0.5%		50		
Mortality rate					
Decrease	1 year	1,625			

The future expected payments for contributions to the defined benefit pensions plans at 31 December 2020 and 31 December 2019 are as follows:

	Thousand of euros					
	2020			2019		
	Germany	France	Total	Germany	France	Total
Within the next 12 months	2,377	44	2,421	2,324	44	2,368
Between 2 and 5 years	14,764	1,973	16,737	13,791	1,973	15,764
Beyond 5 years	17,980	19,893	37,873	17,892	19,893	37,785
<b>Total</b>	<b>35,121</b>	<b>21,910</b>	<b>57,031</b>	<b>34,007</b>	<b>21,910</b>	<b>55,917</b>

### Note 23. Borrowed funds

The breakdown of the Group's debt at 31 December 2020 and 31 December 2019, classified by item, is as follows:

Item		Thousands of euros				
		Non current		Current		
		2020	2019	2020	2019	
a) Interest-bearing loans, borrowings and debt issues	a.1)	3,254,034	2,725,530	a.2)	717,095	138,706
b) Derivative financial instruments	b.1)	29,501	66,138	b.1)	-	-
c) Other financial liabilities		<u>496,235</u>	<u>527,136</u>		<u>353,645</u>	<u>77,334</u>
Finance lease prior IFRS 16	c.1)	41,350	49,526	c.1)	10,643	9,503
Borrowings from related parties	c.2)	72,023	128,160	c.2)	53,264	4,282
Other borrowings	c.3)	20,558	20,368	c.3)	224,699	-
Operating lease (IFRS 16)	c.4)	362,304	329,082	c.4)	65,039	63,549
d) Other liabilities	d)	12,326	10,368	d)	218,990	207,655
<b>Total</b>		<b>3,792,096</b>	<b>3,329,172</b>		<b>1,289,730</b>	<b>423,695</b>

The changes in liabilities related to financing activities, as shown in a) and c) and in derivative financial instruments in b) of the table above, are detailed as follows:

	Thousand of euros						2020
	2019	Cash flow	Foreign exchange effect	IFRS 9 application - Refinancing	Changes in fair value	Others	
Interest-bearing loans, borrowings and debt issues	2,864,235	1,081,381	33,806	(8,293)	-	-	3,971,129
Finance lease	59,029	(5,604)	(1,432)				51,993
Borrowings from related parties	132,442	1,982	(8,321)			(816)	125,287
Other borrowings	20,368	227,980	-			(3,091)	245,257
Operating lease (IFRS 16)	392,631	40,650	(5,938)			-	427,343
<b>Gross Financial Debt (Note 4.6)</b>	<b>3,468,705</b>	<b>1,346,389</b>	<b>18,115</b>	<b>(8,293)</b>	<b>-</b>	<b>(3,907)</b>	<b>4,821,009</b>
Derivative financial instruments	66,138				(36,637)		29,501
<b>TOTAL</b>	<b>3,534,843</b>	<b>1,346,389</b>	<b>18,115</b>	<b>(8,293)</b>	<b>(36,637)</b>	<b>(3,907)</b>	<b>4,850,510</b>

	Thousand of euros						2019
	2018	IFRS 16 impact 01-01-2019	Cash flow	Foreign exchange effect	Changes in fair value	Others	
Interest-bearing loans, borrowings and debt issues	2,664,983		200,571	5,774		(7,093)	2,864,235
Finance lease	46,638		12,391				59,029
Borrowings from related parties	203,527		(70,943)	1,996		(2,138)	132,442
Other borrowings	28,756		(10,492)			2,104	20,368
Operating lease (IFRS 16)	-	395,110	(2,479)				392,631
<b>Gross Financial Debt (Note 4.6)</b>	<b>2,943,904</b>	<b>395,110</b>	<b>129,048</b>	<b>7,770</b>	<b>-</b>	<b>(7,127)</b>	<b>3,468,705</b>
Derivative financial instruments	56,117				10,021		66,138
<b>TOTAL</b>	<b>3,000,021</b>	<b>395,110</b>	<b>129,048</b>	<b>7,770</b>	<b>10,021</b>	<b>(7,127)</b>	<b>3,534,843</b>

## a) Interest-bearing loans, borrowings and debt issues

### a.1) Bank borrowings and long-term debt securities

The breakdown, by segment and maturity date, of non-current bank borrowings and debt securities is as follows:

Description	Thousands of euros						31-12-2019
	31-12-2020						
	2022	2023	2024	2025	Beyond	Total	
<b>In Euro</b>	<b>218,495</b>	<b>1,680,237</b>	<b>132,151</b>	<b>28,079</b>	<b>717,599</b>	<b>2,776,561</b>	<b>2,366,764</b>
Western Europe	195,502	1,670,237	132,151	28,079	717,599	2,743,568	2,333,902
Eastern Europe	22,993	10,000	-	-	-	32,993	32,862
<b>In foreign currency</b>	<b>112,988</b>	<b>299,225</b>	<b>50,140</b>	<b>125</b>	<b>14,995</b>	<b>477,473</b>	<b>358,766</b>
<b>Brazilian real</b>							
Mercosur	723	8,768	213	125	-	9,829	52,268
<b>Dollars</b>							
Western Europe	103,232	236,036	8,180	-	-	347,448	220,616
Mercosur	-	41,376	-	-	-	41,376	-
<b>Turkish lira</b>							
Eastern Europe	3,084	1,146	-	-	-	4,230	31
<b>Czech crown</b>							
Eastern Europe	5,949	11,899	11,899	-	-	29,747	49,158
<b>Remimbi yuan</b>							
Asia	-	-	-	-	14,995	14,995	-
<b>Romanian leu</b>							
Eastern Europe	-	-	2,925	-	-	2,925	4,570
<b>Korean won</b>							
Asia	-	-	-	-	-	-	4,244
<b>Japanese yen</b>							
Asia	-	-	26,923	-	-	26,923	27,878
<b>Total</b>	<b>331,483</b>	<b>1,979,462</b>	<b>182,291</b>	<b>28,204</b>	<b>732,594</b>	<b>3,254,034</b>	<b>2,725,530</b>

At 31 December 2020, the Group had bilateral credit facilities maturing in more than 12 months with a limit of 235,000 thousand euros (378,500 thousand euros at 31 December 2019) which were undrawn at that date. The interest rate on these policies ranges from 0.60% to 2.00%.

The detail of the maturities relating to the balances at 31 December 2019 is as follows:

Thousands of euros					
31-12-2019					
2020	2021	2022	2023	Posterior	Total
158,059	742,075	1,103,859	186,411	535,126	2,725,530

The guarantees granted are personal guarantees of the borrower and were granted by a group of subsidiary companies (Appendix III).

At 31 December 2020, Edscha PHA Ltd has property, plant and equipment set aside to secure for bank loans amounting to 3,001 thousand euros (3,087 thousand euros at 31 December 2019) (Note 11).



In addition, there are security interests and related guarantees in the description of the individual transactions included in this Note.

The annual nominal interest rate on interest-bearing loans at 31 December 2020 is as follows:

	<u>Interest rate</u>
• Loans denominated in euros:	0.90% - 1.90%
• Loans denominated in Brazilian reals*	2.00% - 9.00%
• Loans denominated in US dollars	1.50% - 2.00%

\* The lower level of the range corresponds to loans received by BNDES with a subsidised interest rate.

The annual nominal interest rate on interest-bearing loans at 31 December 2019 is as follows:

	<u>Interest rate</u>
• Loans denominated in euros:	0.90% - 1.45%
• Loans denominated in Brazilian reals*	2.00% - 8.70%
• Loans denominated in US dollars	3.95% - 4.25%

\* The lower level of the range corresponds to loans received by BNDES with a subsidised interest rate.

The loans in the schedule above where certain Group companies are guarantors or which are subject to covenants are as follows:

I) Syndicated loan 2013 (modified in future years)

The Group adopted IFRS 9 *Financial Instruments* for the first time in 2018. The accounting treatment adopted by IFRS 9 for restructurings requires adjusting the debt balance to the sum of the adjusted cash flows discounted to the original effective interest rate. This rate, once adjusted using the possible restructuring fees, must be used for subsequent periods.

On 20 May 2016, the Parent Company signed an agreement modifying the original syndicated loan agreement signed on 19 April 2013, modifying both the principal, whose original amount was 532 million euros, (Tranche A1), increasing it by 340 million euros (Tranche A2), and certain conditions of such loan.

Also, a tranche of a Revolving Credit Facility exists, the amount of which was increased at 31 December 2019 to 325,000 thousand euros, the initial amount of which was 280,000 thousand euros at 31 December 2018 and that is fully drawn down as at 31 December 2020.

After the required analysis, this operation was considered as a refinancing of the syndicated loan since there was no substantial modification of the debt.

On 25 July 2017, the Parent Company signed a new agreement to modify the original syndicated loan agreement signed in April 2013. This agreement implies changes in interest rates and payment dates. The maturity date for the contract was 15 July 2022.

On 11 May 2018, the Parent Company signed a new agreement to modify the original syndicated loan agreement signed in April 2013. This agreement implies changes in clauses of the agreement, without altering economic terms, maturities, drawdowns and allowing interim dividend distribution.

The impact of the adoption of IFRS 9 at 1 January 2018 for the syndicated loan is as follows:

	Thousands of euros
<b>Liabilities</b>	
Interest-bearing loans and borrowings and debt issues	(54,064)
Deferred tax liabilities	12,976
<b>Total liabilities</b>	<b>(41,088)</b>
<b>Net positive impact on equity</b>	<b>41,088</b>

On 25 February 2019, the Parent Company signed a new agreement to modify the syndicated loan agreement modifying the maturity dates. Maturities initially set at 2020 and 2021 were postponed to 30 April 2023, amounting to 324 million euros. The first Tranche (Tranche A1) relates to the initial transaction while the second (Tranche A2) results from the extension made in 2016; accordingly, each one was treated separately given that the initial IRR of each transaction is different. The effect at 31 December 2019 recognised for said restructuring transaction was a positive financial result of 13,289 thousand euros, whose tax effect amounted to 3,189 thousand euros.

On 23 January 2020, the Parent Company signed a new agreement to amend the syndicated loan agreement, amending the maturities so that the new maturity of the entire nominal amount is 30 April 2023. The effect at 31 December 2020 of this restructuring operation was a positive financial result of 8,293 thousand euros, with a tax effect of 1,990 thousand euros.

In addition, this amendment include the option for the Parent Company to extend the maturity date until 23 January 2025 of all the tranches of this financing, eliminating the redemption established for 2023, although the requirement for said extension is the total or partial redemption of the High-Yield Bond issued in May 2016 before 30 June 2021; in the event that it is not fully or partially redeemed before that date, the maturity date will be 30 April 2023 for the proportional part equivalent to the unredeemed part of the 2016 Bond.

The estimate at 31 December 2020, that is, having considered the restructuring performed at that date, of the amount to be recorded in future years under "Finance costs" with the corresponding increase in Bank borrowings, and its tax effect, is as follows:

Thousands of euros			
Year	Finance expenses	Tax effect	Total impact on results
2021	16,936	(4,065)	12,871
2022	12,090	(2,901)	9,189
2023	3,173	(761)	2,412
<b>Total</b>	<b>32,199</b>	<b>(7,727)</b>	<b>24,472</b>

These amounts may be altered in the case of extensions or early cancellations that change the accrual period of financing that will ultimately affect the accrual period.

The amount accrued under Finance costs at 31 December 2020, as a result of applying this standard and the subsequent increase in Bank borrowings, amounted to 16,691 thousand euros (14,357 thousand euros at 31 December 2019), with the corresponding reversal of the Deferred tax liability of 4,006 thousand euros (3,446 thousand euros at 31 December 2019).

The Parent Company must accomplish certain financial obligations related to Consolidated Financial Statements over the life of the loan. These obligations are as follows:

- "EBITDA/Financial Expense" equal to or above 4.00x.
- "Net Financial Debt/EBITDA" equal to or below 3.50x

The calculation of these financial ratios is to be carried out exclusively on the basis of the quarterly consolidated financial statements for each financial year.

On 3 June 2020, the parties entered into a novation agreement amending the agreement in order to adapt certain clauses of the agreement to the special circumstances arising from the pandemic declared by the World Health Organisation due to COVID-19. Among these adaptations, a liquidity ratio has been included to ensure that the Group will have liquidity of at least 200 million euros on the last working day of each month up to and including 30 June 2021, which replaces the requirement to comply with the other financial ratios included in the agreement.

Failure to comply with these ratios would be grounds for early repayment of the loan at the request of the banking syndicate. A period of 20 working days exists to remedy the breach of these financial obligations. At 31 December 2019, the ratios were within the above limits (EBITDA/Financial Expense ratio was 7.67, while the Net Financial Debt/EBITDA ratio was 2.44). The ratios must be calculated in accordance with the accounting standards in force at the time of signing of the initial agreement (19 April 2013), which means, in particular, that the impacts due to the application in 2020 and 2019 of IFRS 9, 15 and 16 have been reversed.

In addition, there is a limitation on the distribution of dividends whereby the dividend to be distributed in each year may not exceed 50% of the consolidated profit for the year. The agreement to amend the syndicated loan contract signed on 3 June 2020 prohibits the payment of dividends up to and including 30 June 2021.

The outstanding amount of this syndicated loan is registered as long-term for 918,348 thousand euros (826,298 thousand euros at December 31, 2019).

Certain Group companies, which together represent a significant portion of total consolidated assets, revenue and consolidated EBITDA, act as joint guarantors of the loans. The detail of these companies is provided in Appendix III.

Also, a pledge was arranged on the shares of the subsidiaries Gestamp Metalbages, S.A., Gestamp Bizkaia, S.A., Gestamp Vigo, S.A., Gestamp Palencia, S.A., Gestamp Servicios, S.A. and Gestamp Toledo, S.A.

## II) Bond issues May 2016 and April 2018

On 11 May 2016, an issue of senior secured bonds was completed through the subsidiary Gestamp Funding Luxembourg, S.A., amounting to 500 million euros at an interest rate of 3.5%.

This issue of bonds initially matures on 15 May 2023 and the interest will be payable every six months (in November and May).

The redeemed cost of the bond issued in May 2016, at 31 December 2020, amounted to 461 million euros (31 December 2019: 450 million euros).

In April 2018, the Group completed an issuance of senior bonds guaranteed through the Parent Company for a total aggregate amount of 400 million euros with an annual coupon of 3.25% and an IRR of 3.375%.

These bonds have an original maturity of 30 April 2026 and interest payable semi-annually (in November and May).

The amortised cost of the bond issued in April 2018, at 31 December 2020, amounts to 393 million euros (392 million euros at 31 December 2019).

Certain Group companies, which together represent a significant portion of total consolidated assets, revenue and consolidated EBITDA, act as joint guarantors of the bonds. The detail of these companies is provided in Appendix III.

Also, a pledge was arranged on the shares of the subsidiaries Gestamp Metalbages, S.A., Gestamp Bizkaia, S.A., Gestamp Vigo, S.A., Gestamp Palencia, S.A., Gestamp Servicios, S.A. and Gestamp Toledo, S.A.

As mentioned in heading I), the Group adopted IFRS 9 *Financial Instruments* for the first time in 2018. The accounting treatment adopted by IFRS 9 for restructurings requires adjusting the debt balance to the sum of the adjusted cash flows discounted to the original effective interest rate. This rate, once adjusted using the possible restructuring fees, must be used for subsequent periods.

The impact of the adoption of IFRS 9 at 1 January 2018 for the bond is as follows:

	Thousands of euros
<b>Liabilities</b>	
Interest-bearing loans and borrowings and debt issues	(52,116)
Deferred tax liabilities	10,944
<b>Total liabilities</b>	<b>(41,172)</b>
<b>Net positive impact on equity</b>	<b>41,172</b>

The estimate at 31 December 2020 of the amount to be recorded in future years under “Finance costs” with the corresponding increase in bank borrowings, and its tax effect, is as follows:

Thousands of euros			
Year	Finance expenses	Tax effect	Total impact on results
2021	10,129	(2,127)	8,002
2022	10,867	(2,282)	8,585
2023	5,727	(1,203)	4,524
<b>Total</b>	<b>26,723</b>	<b>(5,612)</b>	<b>21,111</b>

These amounts may be altered in the case of extensions or early cancellations that change the accrual period of the bonds that will ultimately affect the accrual period.

The amount accrued under Finance costs at 31 December 2020, as a result of applying this standard and the subsequent increase in Bank borrowings, amounted to 9,440 thousand euros (8,799 thousand euros at 31 December 2019), with the corresponding reversal of the Deferred tax liability of 1,982 thousand euros (1,848 thousand euros at 31 December 2019).

### III) European Investment Bank (2016)

On 15 June 2016, the Parent Company signed a financing agreement with the European Investment Bank for 160 million euros.

The loan has a duration of seven years, maturing on 22 June 2023. The Parent Company undertakes to comply with certain financial obligations related to its Consolidated Financial Statements over the life of the loan. These obligations are as follows:

- "EBITDA/Financial Expense" equal to or above 4.00x.
- "Net Financial Debt/EBITDA" equal to or below 3.50x

The calculation of these financial ratios is to be carried out exclusively on the basis of the quarterly consolidated financial statements for each financial year.

On 27 July 2020, the parties entered into a novation agreement amending the agreement in order to adapt certain clauses of the agreement to the special circumstances arising from the pandemic declared by the World Health Organisation due to COVID 19. Among these adaptations, a liquidity ratio has been included to ensure that the Group will have liquidity of at least 200 million euros on the last working day of each month up to and including 30 June 2021, which replaces the requirement to comply with the other financial ratios included in the agreement.

Failure to comply with these ratios would be grounds for early repayment of the financing at the lender's request, with a period of 20 working days to remedy the non-compliance. At 31 December 2019, the ratios were within the above limits (EBITDA/Financial Expense ratio was 7.67, while the Net Financial Debt/EBITDA ratio was 2.44). These financial ratios must be calculated excluding the impact of changes in accounting regulations after 31 December 2018.

In addition, there is a limitation on the distribution of dividends whereby the dividend to be distributed in each year may not exceed 50% of the consolidated profit for the year. In the agreement to amend the loan agreement, it has been agreed that no dividend payments will be made up to and including 30 June 2021.

The outstanding amount at December 31, 2020 of this loan granted to the Parent Company is recorded as non-current and amounting to 160 million euros (160 million euros at December 31, 2019).

Certain Group companies, which together represent a significant portion of total consolidated assets, revenue and Consolidated EBITDA, act as joint guarantors of this loan. The detail of these companies is provided in Appendix III.

#### IV) European Investment Bank (2020)

On 18 May 2020, the Parent Company signed a financing agreement with the European Investment Bank for 200 million euros.

The loan has a duration of seven years, maturing on 28 May 2027. The Parent Company undertakes to comply with certain financial obligations related to its Consolidated Financial Statements over the life of the loan. These obligations are as follows:

- "EBITDA/Financial Expense" equal to or above 4.00x.
- "Net Financial Debt/EBITDA" equal to or below 3.50x

The calculation of these financial ratios is to be carried out exclusively on the basis of the quarterly consolidated financial statements for each financial year.

On 27 July 2020, the parties entered into a novation agreement amending the agreement in order to adapt certain clauses of the agreement to the special circumstances arising from the pandemic declared by the World Health Organisation due to COVID 19. Among these adaptations, a liquidity ratio has been included to ensure that the Group will have liquidity of at least 200 million euros on the last working day of each month up to and including 30 June 2021, which replaces the requirement to comply with the other financial ratios included in the agreement.

Failure to comply with these ratios would be grounds for early repayment of the financing at the lender's request, with a period of 20 working days to remedy the non-compliance. These financial ratios must be calculated excluding the impact of changes in accounting regulations after 31 December 2018.

In addition, there is a limitation on the distribution of dividends whereby the dividend to be distributed in each year may not exceed 50% of the consolidated profit for the year. In the agreement of 27 July 2020 regarding the amendment of the loan agreement, it has been agreed that no dividend payments will be made up to and including 30 June 2021.

The outstanding amount at December 31, 2020 of this loan granted to the Parent Company is recorded as non-current and amounting to 200 million euros.

Certain Group companies, which together represent a significant portion of total consolidated assets, revenue and Consolidated EBITDA, act as joint guarantors of this loan. The detail of these companies is provided in Appendix III.

#### V) KfW IPEX Bank GmbH

On 26 June 2017, the Parent Company signed a financing agreement with KfW IPEX Bank GmbH for 45 million euros.

The loan has a duration of 5 years. The maturity date for said loan is 19 June 2022.

The Parent Company must accomplish certain financial obligations related to Consolidated Financial Statements over the life of the loan. These obligations are as follows:

- "EBITDA/Financial Expense" equal to or above 4.00x.
- "Net Financial Debt/EBITDA" equal to or below 3.50x

The calculation of these financial ratios is to be carried out exclusively with the quarterly consolidated financial statements for each financial year.

On 24 July 2020, the parties entered into a novation agreement amending the agreement in order to adapt certain clauses of the agreement to the special circumstances arising from the pandemic declared by the World Health Organisation due to COVID 19. Among these adaptations, a liquidity ratio has been included to ensure that the Group will have liquidity of at least 200 million euros on the last working day of each month up to and including 30 June 2021, which replaces the requirement to comply with the other financial ratios included in the agreement.

Failure to comply with these ratios would be grounds for early repayment of the financing at the lender's request, with a period of 20 working days to remedy the non-compliance. At 31 December 2019, the ratios were within the above limits (EBITDA/Financial Expense ratio was 7.67, while the Net Financial Debt/EBITDA ratio was 2.44).

The outstanding amount at December 31, 2020 of this loan granted to the Parent Company is recorded as non-current and amounting to 45 million euros (45 million euros at December 31, 2019).

Certain Group companies, which together represent a significant portion of total consolidated assets, revenue and Consolidated EBITDA, act as joint guarantors of this loan. The detail of these companies is provided in Appendix III.

VI) Slovenská Sporiteľňa, a. s.

On 26 October 2017, the company Gestamp Nitra S.r.o signed a financing agreement with Slovenská Sporiteľňa, a. s for 50 million euros.

The loan term is 6 years with maturity on 30 October 2023.

The outstanding amount at December 31, 2020 of this loan is registered as long term in the amount of 20 million euros and as short term in the amount of 10 million euros (30 million euros in long term at December 31, 2019).

Gestamp Nitra, S.r.o must comply with certain financial obligations related to its Consolidated Financial Statements of the Gestamp Automoción Group over the life of the loan. These obligations are as follows:

- "EBITDA/Financial Expense" equal to or above 4.00x.
- "Net Financial Debt/EBITDA" equal to or below 3.50x

The calculation of these financial ratios is to be carried out exclusively on the basis of the quarterly consolidated financial statements for each financial year.

On 23 July 2020, the parties entered into a novation agreement amending the agreement in order to adapt certain clauses of the agreement to the special circumstances arising from the pandemic declared by the World Health Organisation due to COVID 19. Among these adaptations, a liquidity ratio has been included to ensure that the Group will have liquidity of at least 200 million euros on the last working day of each month up to and including 30 June 2021, which replaces the requirement to comply with the other financial ratios included in the agreement.



Failure to comply with these ratios would be grounds for early repayment of the financing at the lender's request. At 31 December 2019, the ratios were within the above limits (EBITDA/Financial Expense ratio was 7.67, while the Net Financial Debt/EBITDA ratio was 2.44).

VII) Česká Spořitelna, a.s.

On 27 June 2018, the company Gestamp Louny sro signed a financing agreement with Česká Spořitelna, a.s. for 1.250 million Czech koruna.

The loan term is 6 years with maturity on 31 May 2024.

The outstanding amount at December 31, 2020 of this loan is registered as long term in the amount of 781.2 million Czech koruna and as short term in the amount of 312.5 million Czech koruna (1,094 million Czech koruna as long term and 156 million Czech koruna as short term at December 31, 2019).

Gestamp Louny, sro must comply with certain financial obligations related to its Consolidated Financial Statements of the Gestamp Automoción Group over the life of the loan. These obligations are as follows:

- "EBITDA/Financial Expense" equal to or above 4.00x.
- "Net Financial Debt/EBITDA" equal to or below 3.50x

The calculation of these financial ratios is to be carried out exclusively on the basis of the quarterly consolidated financial statements for each financial year.

On 27 July 2020, the parties entered into a novation agreement amending the agreement in order to adapt certain clauses of the agreement to the special circumstances arising from the pandemic declared by the World Health Organisation due to COVID 19. Among these adaptations, a liquidity ratio has been included to ensure that the Group will have liquidity of at least 200 million euros on the last working day of each month up to and including 30 June 2021, which replaces the requirement to comply with the other financial ratios included in the agreement.

Failure to comply with these ratios would be grounds for early repayment of the financing at the lender's request. 31 December 2019, the ratios were within the above limits (EBITDA/Financial Expense ratio was 7.67, while the Net Financial Debt/EBITDA ratio was 2.44).

VIII) Schuldschein Bond Issue October 2019

On 11 November 2019, the Parent Company completed an issue of "Schuldschein" bonds amounting to 176 million euros and 10 million US dollars.

The breakdown of the different tranches are as follows:

Nominal	Currency	Value date	Interest Rate	Interest Period	Maturity
22,000,000.00	Euro	2019, October 28	Euribor 6M+185bps	Semi-annual	2023, April 28
71,000,000.00	Euro	2019, October 28	Euribor 6M+210bps	Semi-annual	2024, October 28
58,000,000.00	Euro	2019, October 28	Euribor 6M+240bps	Semi-annual	2026, April 28
25,000,000.00	Euro	2019, November 11	Euribor 6M+240bps	Semi-annual	2026, April 28
10,000,000.00	US dollar	2019, October 28	Libor 3M+250bps	Quarterly	2024, October 28

During the month of December 2020, the Parent Company has carried out the early repayment of a total amount of 39 million euros, of which 30 million euros have a maturity date of 28 October 2024 and 9 million euros a maturity date of 28 October 2023.

The Parent Company must comply with certain financial obligations exclusively at the end of each year in which this bond is in force, calculated on the basis of the Consolidated Financial Statements. These obligations are as follows:

- "EBITDA/Financial Expense" equal to or above 4.00x.
- "Net Financial Debt/EBITDA" equal to or below 3.50x

During the first half of 2020, the parties entered into different novation agreements amending the agreements in order to adapt some of their clauses to the special circumstances arising from the pandemic declared by the World Health Organisation due to COVID-19. Among these adaptations, a liquidity ratio has been included to ensure that the Group will have liquidity of at least 200 million euros on the last working day of each month up to and including 30 June 2021, which replaces the requirement to comply with the other financial ratios included in the agreement.

Failure to comply with these ratios would be grounds for early repayment of the financing at the lender's requests, with a period of 20 working days to remedy the non-compliance. At 31 December 2019, the ratios were within the above limits (EBITDA/Financial Expense ratio was 7.67, while the Net Financial Debt/EBITDA ratio was 2.44). These financial ratios must be calculated excluding the impact of changes in accounting regulations after 31 December 2018.

The outstanding amount at December 31, 2020 of this issue of "Schuldschein" granted to the Parent Company is registered as long term in the amount of 137 million euros and in the amount of 10 million US dollar (176 million euros and 10 million US dollar at December 31, 2019).

Certain Group companies, which together represent a significant portion of total consolidated assets, revenue and Consolidated EBITDA, act as joint guarantors of this loan. The detail of these companies is provided in Appendix III.

IX) Caixabank, S.A.

On 11 March 2020, the Parent Company signed a financing agreement with Caixabank, S.A. for 100 million euros.

The loan term is 3 years with maturity on 30 April 2023.

The outstanding amount at December 31, 2020 of this loan granted to the Parent Company is recorded as non-current, amounting to 100 million euros.

The Parent Company must accomplish certain financial obligations related to Consolidated Financial Statements over the life of the loan. These obligations are as follows:

- "EBITDA / Financial expense" above 4.00x
- "Net Financial Debt / EBITDA" below 3.50x

The calculation of these financial ratios is to be carried out exclusively on the basis of the quarterly consolidated financial statements for each financial year.

On 18 June 2020, the parties entered into a novation agreement amending the agreement in order to adapt certain clauses of the agreement to the special circumstances arising from the pandemic declared by the World Health Organisation due to COVID 19. Among these adaptations, a liquidity ratio has been included to ensure that the Group will have liquidity of at least 200 million euros on the last working day of each month up to and including 30 June 2021, which replaces the requirement to comply with the other financial ratios included in the agreement.

Failure to comply with these ratios would be grounds for early repayment of the financing at the lender's request, with a period of 20 working days to remedy the non-compliance.

In addition, there is a limitation on the distribution of dividends whereby the dividend to be distributed in each year may not exceed 50% of the consolidated profit for the year. In the agreement to amend the agreement signed on 18 June 2020, it has been agreed that no dividend payments will be made up to and including 30 June 2021.

X) Instituto de Crédito Oficial, Entidad Pública Empresarial

On 9 July 2020, the Parent Company signed a financing agreement with Instituto de Crédito Oficial, Corporate State-owned Entity for an amount of 100 million euros payable in 8 quarterly instalments of the same amount. As at 31 December 2020, the first 2 disbursements have been carried out.

The loan term is 7 years with maturity on 9 July 2027.

The drawn down and outstanding amount at December 31, 2020 of this loan granted to the Parent Company is recorded as non-current, amounting to 25 million euros.

The Parent Company must accomplish certain financial obligations related to Consolidated Financial Statements over the life of the loan. These obligations are as follows:

- "EBITDA / Financial expense" above 4.00x
- "Net Financial Debt / EBITDA" below 3.50x

The calculation of these financial ratios is to be carried out exclusively on the basis of the quarterly Consolidated Financial Statements for each year, with the first date for calculating compliance with the above ratios being 30 September 2021.

Failure to comply with these ratios would be grounds for early repayment of the financing at the lender's request, with a period of 20 working days to remedy the non-compliance.

a.2) Current interest-bearing loans and borrowings

The breakdown by segment of current interest-bearing loans and borrowings is as follows:

Description	Thousands of euros											
	Credit facilities				Loans (b)		Accrued interest (c)		Discounted bills and Factoring (d)		(a)+(b)+(c)+(d)	
	Drawn down (a)		Limit		2020	2019	2020	2019	2020	2019	TOTAL	TOTAL
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
<b>In Euro</b>	<b>5,001</b>	<b>17,428</b>	<b>274,467</b>	<b>285,126</b>	<b>565,548</b>	<b>45,067</b>	<b>11,503</b>	<b>8,412</b>	<b>29</b>	<b>19,689</b>	<b>582,081</b>	<b>90,596</b>
Western Europe	5,001	13,759	274,467	216,808	533,925	35,089	10,368	8,296	29	19,689	549,323	76,833
Eastern Europe	-	3,669	-	68,318	31,623	9,978	1,135	116	-	-	32,758	13,763
<b>In foreign currency</b>	<b>16,360</b>	<b>6,478</b>	<b>49,285</b>	<b>106,393</b>	<b>117,389</b>	<b>40,948</b>	<b>1,265</b>	<b>684</b>	<b>-</b>	<b>-</b>	<b>135,014</b>	<b>48,110</b>
<b>Dollars</b>												
Western Europe	-	-	-	-	-	-	-	-	-	-	-	-
Eastern Europe	-	-	-	-	-	-	-	-	-	-	-	-
Mercosur	-	-	-	-	255	-	-	-	-	-	255	-
North America	16,360	-	16,360	-	24,948	2,766	101	-	-	-	41,409	2,766
<b>Turkish lira</b>												
Eastern Europe	-	2,075	-	25,037	24,490	374	17	20	-	-	24,507	2,469
<b>Argentine peso</b>												
Mercosur	-	-	-	-	-	1,945	-	-	-	-	-	1,945
<b>Mexican peso</b>												
Mercosur	-	-	-	-	-	-	-	-	-	-	-	-
<b>Brazilian real</b>												
Mercosur	-	-	-	-	29,395	26,165	882	620	-	-	30,277	26,785
<b>Indian rupee</b>												
Asia	-	12	28,966	42,704	-	-	25	-	-	-	25	12
<b>Remimbi yuan</b>												
Asia	-	4,390	-	37,109	24,780	7,736	240	44	-	-	25,020	12,170
<b>Czech crown</b>												
Eastern Europe	-	-	-	-	11,899	-	-	-	-	-	11,899	-
<b>Romanian leu</b>												
Eastern Europe	-	-	-	-	1,622	1,954	-	-	-	-	1,622	1,954
<b>Korean won</b>												
Asia	-	-	-	1,543	-	7	-	-	-	-	-	8
<b>Japanese Yen</b>												
Asia	-	-	3,959	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>21,361</b>	<b>23,906</b>	<b>323,752</b>	<b>391,519</b>	<b>682,937</b>	<b>86,015</b>	<b>12,768</b>	<b>9,096</b>	<b>29</b>	<b>19,689</b>	<b>717,095</b>	<b>138,706</b>

The Group has 921 million euros in with-recourse and non-recourse factoring and trade bill discounting facilities at 31 December 2020 (918 million euros at 31 December 2019).

The interest rate on the credit facilities is basically indexed to a floating rate of Euribor plus a spread between 0.60% and 2.00% in 2020 and between 0.60% and 0.75% in 2019.

## **b) Derivative financial instruments**

### **b.1) Interest rate derivatives and exchange rate derivatives**

These Consolidated Balance Sheet headings include the fair value of the interest rate and exchange rate hedges and derivatives held for trading arranged by the Group, which are as follows:

Description	Thousands of euros	
	2020	2019
<b>Financial assets - long term derivatives (Note 12.a.3)</b>	<b>1,171</b>	<b>12,238</b>
Derivatives held for trading	-	394
Exchange rate derivatives held for trading	-	802
Others	1,171	11,042
<b>Financial liabilities - long term derivatives</b>	<b>29,501</b>	<b>66,138</b>
Derivatives held for trading	-	18,221
Cash flow hedges	24,443	35,869
Exchange rate hedges	3,887	1,006
Others	1,171	11,042

### **Interest rate derivatives**

The interest rate financial swaps, arranged by the Group, in place at 31 December 2020 and 31 December 2019 are as follows:

Contract	Item	Thousands of euros			
		2020		2019	
		Asset	Liability	Asset	Liability
2	Derivatives held for trading	-	-	-	18,092
7	Derivatives held for trading	-	-	(190)	-
8	Derivatives held for trading	-	-	(204)	-
9	Derivatives held for trading	-	-	-	129
<b>Total derivatives held for trading</b>				<b>(394)</b>	<b>18,221</b>
1	Cash flow	-	-	-	3,651
2	Cash flow	-	-	-	8,346
3	Cash flow	-	-	-	1,964
5	Cash flow	-	-	-	2,755
6	Cash flow	-	19,048	-	14,872
10	Cash flow	-	5,212	-	4,281
11	Cash flow	-	183	-	-
<b>Total cash flow hedges</b>				<b>24,443</b>	<b>35,869</b>

At 31 December 2020, the Group had implemented a strategy to hedge interest rate risk on the notional value of the Group's estimated bank debt for the period from 2021 to 2025, through these financial interest rate swaps with the following notional amounts in thousands of euros:

Year	Contract 6	Contract 10	Contract 11
2021	190,000	60,000	155,585
2022	190,000	60,000	155,585
2023	190,000	60,000	155,585
2024	190,000	60,000	155,585
2025	190,000	-	-

The interest rate financial swaps, arranged by the Group, in place at 31 December 2020 have the following terms:

Contract	Effective date	Maturity date	Floating rate (to be received)	Fixed rate (to be paid)
Contract 6	December 31, 2020	December 31, 2025	3-month Euribor	1.46%
Contract 10	December 31, 2020	December 31, 2024	3-month Euribor	1.60%
Contract 11	April 23, 2020	January 23, 2025	3-month Euribor	-0.51%

The hedging arrangements, outlined above, are qualified as effective hedges under IFRS hedge accounting criteria. Accordingly, changes in the fair value of the financial swaps are recognised in Equity while the accrued interest is recognised in the Consolidated Income Statement.

The years in which the settlements of hedges are expected to affect the Consolidated Income Statement are as follows:

Thousands of euros (Expenses)/Incomes	
2020	
2021	(2,164)
2022	25
2023	(1,631)
2024	(1,948)
2025	(2,016)
<b>Total</b>	<b>(7,734)</b>

Thousands of euros (Expenses)/Incomes	
2019	
2020	(16,527)
2021	(1,740)
2022	972
2023	(491)
2024	(583)
2025	(791)
<b>Total</b>	<b>(19,160)</b>

The difference of 16,709 thousand euros between the value of cash flow hedges and the amount of future settlements of hedges reflected in the table above, corresponds to the valuations of speculative hedge transactions that were restructured in May and November 2019 to give them hedging accounting treatment.

At 31 December 2020, the Group transferred from Equity to the Consolidated Income Statement the amount of 16,136 thousand euros (expense) as a result of liquidations carried out in the year corresponding to interest rate hedges. In 2019, expense recognised on the same basis amounted to 14,681 thousand euros.

In 2020, the Group recognised an expense for the amount of 4,538 thousand euros relating to changes in the value of derivatives held for trading. In 2020, all hedging operations were efficient, accordingly, there was no impact on the Consolidated Income Statement. In 2019, an expense of 14,587 thousand euros was recognised in the Consolidated Income Statement, relating to the changes in value of derivatives held for trading.

#### Exchange rate derivatives

- In July 2018, Gestamp Brasil, S.A. signed a loan granted by Bank of America, amounting to 50,000 thousand dollars. To cover this loan, an exchange rate derivative was signed with the financial entity, the positive fair value of which at 31 December 2020 amounted to 11,061 thousand euros (negative fair value of 1,006 thousand euros at 31 December 2019).

The initial measurement arising in July 2018 was negative in the amount of 9,157 thousand Brazilian reals. This amount was recognised under Other current assets and accrues over the term of the loan on a straight-line basis over 48 months, with its balance at 31 December 2020 amounting to 571 thousand euros (1,311 thousand euros at 31 December 2019) (Note 15.e).

The Group has transferred at 31 December 2020 from Equity to the Consolidated Income Statement 74,015 thousand Brazilian reals equivalent to 13,960 thousand euros (10,368

thousand euros in 2020 and 3,592 thousand euros in previous years) in order to offset the exchange gains generated in the measurement of the loan.

- In January 2020, the Parent Company signed a loan granted by Bank of América, Barclays and Commerzbank amounting to 30,000 thousand dollars. To cover this loan, an exchange rate derivative was signed with the financial entity, the negative fair value of which amounted to 2,743 thousand euros at 31 December 2020.

The initial measurement arising in January 2020 was negative in the amount of 58 thousand euros. This amount was recognised under Other current assets and accrues over the term of the loan on a straight-line basis over 60 months, with its balance at 31 December 2020 amounting to 47 thousand euros (Note 15.e).

At 31 December 2020, the Group transferred from Equity to the Consolidated Income Statement an expense of 2,493 thousand euros in order to offset the positive exchange difference generated in the measurement of the loan.

- Additionally, in January 2020, the Parent Company signed a second loan granted by Bank of America, Barclays and Commerzbank amounting to 142,552 thousand dollars. To cover this loan, an exchange rate derivative was signed with the financial entity, the negative fair value of which amounted to 12,586 thousand euros at 31 December 2020.

The initial measurement arising in January 2020 was positive in the amount of 251 thousand euros. This amount was recognised under Other current liabilities and accrues over the term of the loan on a straight-line basis over 60 months, with its balance at 31 December 2020 amounting to 205 thousand euros (Note 15.e).

At 31 December 2020, the Group transferred from Equity to the Consolidated Income Statement an expense of 11,845 thousand euros in order to offset the positive exchange difference generated in the measurement of the loan.

- Moreover, in July 2019, Gestamp Kartek Co. Ltd. signed a loan granted to Gestamp Autocomponents (Shenyang), Co. Ltd. for 10,000 thousand dollars. To cover this loan, an exchange rate derivative was signed with the financial entity, the positive fair value of which amounted to 374 thousand euros at 31 December 2020.

The initial measurement arising in January 2020 was negative in the amount of 6 thousand euros. This amount was recognised under Other current assets and accrues over the term of the loan on a straight-line basis over 36 months, with its balance at 31 December 2020 amounting to 3 thousand euros (Note 15.e).

At 31 December 2020, the Group transferred from Equity to the Consolidated Income Statement an expense of 469 thousand euros in order to offset the negative exchange difference generated in the measurement of the loan.

- Lastly, on 13 November 2019, the Parent Company entered into an exchange rate hedge whereby dollars were sold (62,000 thousand dollars) and euros were bought at 9 January 2020 at an exchange rate of EUR 1.10535 to the dollar. This contract was renewed on 9 January 2020, setting a new expiry date of 10 July 2020.



This hedge was classified as held for trading during its term, and its fair value amounted to 802 thousand euros at 31 December 2019, which was posted in the Consolidated Income Statement.

Finally, the Parent Company brought forward its settlement to 18 June 2020, obtaining a profit of 752 thousand euros recognised under Exchange gains.

The effect of financial instruments in retained earnings in 2020 and 2019 is as follows:

<b>Thousands of euros</b>	
<b>Adjustment due to change value 2018</b>	<b>(22,076)</b>
<b>Variation in fair value adjustment</b>	<b>4,991</b>
Variation in deferred tax from financial instruments	(2,593)
Variation in derivative financial instruments (liabilities)	<u>(6,938)</u>
Interest rate derivatives	(20,492)
Cancellation of derivatives	16,710
Exchange rate derivatives	(3,156)
Effect in profit due to hedge inefficiency	<u>14,587</u>
Interest rate derivatives	14,587
Others	<u>(65)</u>
<b>Adjustment due to change value 2019</b>	<b>(17,085)</b>
<b>Variation in fair value adjustment</b>	<b>11,075</b>
Variation in deferred tax from financial instruments	(2,742)
Variation in derivative financial instruments (liabilities)	<u>9,279</u>
Interest rate derivatives	29,253
Cancellation of derivatives	(22,365)
Exchange rate derivatives	2,391
Effect in profit due to hedge inefficiency	<u>4,538</u>
Interest rate derivatives	4,538
<b>Adjustment due to change value 2020</b>	<b>(6,010)</b>

Lastly, "Others" under Long-term derivative financial liabilities for an amount of 1,171 thousand euros (11,042 thousand euros in 2019) includes the present value of implicit derivatives with respect to the exchange rate applicable to sales and purchase prices in a customer and supplier agreement (Note 12.a.3).

### c) Other financial liabilities

#### c.1) Lease previously classified as a finance lease (prior to IFRS 16)

The finance lease obligations recognised under this heading relate to the discounted values of the payments under finance lease agreements detailed in Note 11. Details of the expected maturities of these obligations, and future financial expenses are as follows:

Segment	2020					Future financial expenses	Financial lease installments
	Thousands of euros						
	Present value of lease obligations				Total		
	Short term	Long term					
Less than one year	Between one and five years	More than five years					
North America	1,080	4,103	10,329	14,432	3,485	18,997	
Eastern Europe	7,753	20,665	832	21,497	3,253	32,503	
Western Europe	1,810	5,421	-	5,421	404	7,635	
<b>Total</b>	<b>10,643</b>	<b>30,189</b>	<b>11,161</b>	<b>41,350</b>	<b>7,142</b>	<b>59,135</b>	

2019						
Thousands of euros						
Segment	Present value of lease obligations				Future financial expenses	Financial lease installments
	Short term		Long term			
	Less than one year	Between one and five years	More than five years	Total		
North America	1,135	4,801	12,087	16,888	4,457	22,480
Eastern Europe	7,071	23,737	2,352	26,089	3,999	37,159
Western Europe	1,297	6,549	-	6,549	450	8,296
<b>Total</b>	<b>9,503</b>	<b>35,087</b>	<b>14,439</b>	<b>49,526</b>	<b>8,906</b>	<b>67,935</b>

## c.2) Borrowings from related parties

This heading in the Consolidated Balance Sheet includes the following items with related parties:

Description	Long term		Short term	
	2020	2019	2020	2019
Loans (Note 32.1)	51,320	106,197	48,871	1,563
Fixed assets suppliers (Note 32.1)	20,703	21,963	3,296	1,541
Interest (Note 32.1)	-	-	1,097	1,178
<b>Total</b>	<b>72,023</b>	<b>128,160</b>	<b>53,264</b>	<b>4,282</b>

At 31 December 2020 and 31 December 2019, the payable recognised under long-term fixed assets suppliers with Acek, Desarrollo y Gestión Industrial, S.L. corresponds to the purchase of the GESTAMP brand.

On 26 February 2019, it was agreed with Mitsui & Co. Ltd to extend its 171 million dollar loan to Gestamp North America, its December 2019 maturity being divided into three equal tranches maturing in December 2020, 2021 and 2022.

The breakdown of expected maturities for long-term borrowings with related parties is as follows (Note 32.1):

Description	Thousands of euros					Total 2020	Total 2019
	2022	2023	2024	2025	Beyond		
<b>Loans</b>	51,320	-	-	-	-	51,320	106,197
North America	46,626	-	-	-	-	46,626	101,522
Eastern Europe	4,694	-	-	-	-	4,694	4,675
<b>Fixed assets suppliers</b>	1,343	1,431	1,525	1,625	14,779	20,703	21,963
Western Europe	1,343	1,431	1,525	1,625	14,779	20,703	21,963

The detail of the maturities of the balance of this account as at 31 December 2019, is as follows:

Thousands of euros						
2019						
2021	2022	2023	2024	Beyond	Total	
52,021	52,104	1,431	6,200	16,404	128,160	

Interest rates of loans granted by related parties are at arm's length.

### c.3) Other liabilities

#### Other non-current liabilities

The amounts included under this heading, by item and maturity, at 31 December 2020 and 31 December 2019, are as follows:

Description	Thousands of euros					Total 2020	Total 2019
	2022	2023	2024	2025	Beyond		
Loans from Ministry of Science and Technology	7,237	4,639	3,964	2,559	2,159	20,558	20,368

The detail of these amounts corresponds to companies included in the Western Europe segment.

The detail of the maturities of the balance of this account as at 31 December 2019, is as follows:

Thousands of euros					
2019					
2021	2022	2023	2024	Beyond	Total
6,684	3,883	3,407	2,911	3,483	20,368

#### Other current liabilities

The heading fully includes new current transactions arranged to defer amounts with third parties as part of the Group's policy of protecting its liquidity and financial capacity, which entail an additional financial cost.

### c.4) Operating leases (IFRS 16)

The operating lease commitments, recognised under this heading, correspond to the present value of the lease arrangements, in accordance with the application of IFRS 16 (applied from 1 January 2019). The detail by type of asset, both short and long-term, at 31 December 2020 and 31 December 2019 is as follows:

Type of asset	Thousands of euros			Total 2020	Total 2019
	Short term	Between one and five years	More than five years		
Stores	4,913	18,173	26,859	49,945	49,716
Machinery	24,640	64,374	4,450	93,464	103,121
Offices	4,622	13,909	6,650	25,181	50,008
Plants	15,615	48,509	107,708	171,832	82,635
Tooling	7,034	22,187	26	29,247	39,137
Lands	2,734	10,619	21,500	34,853	39,328
Others	5,481	15,885	1,455	22,821	28,686
<b>Total</b>	<b>65,039</b>	<b>193,656</b>	<b>168,648</b>	<b>427,343</b>	<b>392,631</b>

As at 31 December 2020, both long-term and short-term operating leases include debt with related parties in the amount of 30,034 thousand euros and 8,721 thousand euros, respectively (31,166 thousand euros and 7,365 thousand euros, respectively, at 31 December 2019) (Note 32.1).

The detail of the maturities of the balance of this account as at 31 December 2019, is as follows:

Thousands of euros			
2019			
Short term	Between one and five years	More than five years	Total
63,549	207,465	121,617	392,631

#### d) *Other borrowed funds*

##### Other non-current borrowed funds

The breakdown of the amounts included under this heading, by maturity and segment, at 31 December 2020 and 31 December 2019, is as follows:

Description	Thousands of euros					Total 2020	Total 2019
	2022	2023	2024	2025	Beyond		
<b>Guarantees received</b>	25	1	-	-	412	438	439
Western Europe	16	-	-	-	412	428	427
North America	9	-	-	-	-	9	10
Mercosur	-	1	-	-	-	1	2
<b>Fixed assets suppliers</b>	272	272	272	272	546	1,634	1,907
Western Europe	272	272	272	272	546	1,634	1,907
<b>Other creditors</b>	1,470	2,218	1,872	1,557	3,137	10,254	8,022
Western Europe	1,470	2,218	1,872	1,557	1,957	9,074	8,022
Asia	-	-	-	-	1,180	1,180	-
<b>Total</b>	<b>1,767</b>	<b>2,491</b>	<b>2,144</b>	<b>1,829</b>	<b>4,095</b>	<b>12,326</b>	<b>10,368</b>

The detail of the maturities relating to the balances at 31 December 2019 is as follows:

Thousands of euros					
2019					
2021	2022	2023	2024	Beyond	Total
1,027	1,653	1,403	4,821	1,464	10,368

##### Other current borrowings

The breakdown of the balance of this heading in the accompanying Consolidated Balance Sheet, by item, was as follows:

Item	Thousands of euros	
	2020	2019
Fixed assets suppliers	170,318	148,349
<u>Dividends (Note 32.1)</u>	<u>3</u>	<u>31,814</u>
Interim dividends	-	31,601
Dividends	3	213
Short term debts	47,882	27,135
Deposits and guarantees	520	70
Others	267	287
<b>Total</b>	<b>218,990</b>	<b>207,655</b>

On 14 January 2020, the unpaid dividend payment at 31 December 2019, amounting to 31,601 thousand euros, was paid. The amount of this dividend finally paid on 14 January 2020, based on the number of treasury shares held at 12 January 2020, was 31,612 thousand euros.

“Short term debt” included an outstanding amount of 31 thousand euros relating to the acquisition of 100% of the shares of Gestamp Sorocaba Industria Autopeças Ltda and that amounts to 3,709 thousand euros (5,215 thousand euros at 31 December 2019).

#### Note 24. Deferred tax

The movement in deferred tax assets and deferred tax liabilities was as follows:

Deferred tax assets	Thousands of euros					
	Tax credits	Provisions	Accelerated depreciation	Unrealized, non-deductible exchange gains (losses)	Other	Total
<b>At December 31, 2018</b>	<b>196,298</b>	<b>30,175</b>	<b>7,371</b>	<b>9,909</b>	<b>79,135</b>	<b>322,888</b>
Inclusion in scope					38	38
Increases	76,687	8,394	1,417	26	88,866	175,390
Decreases	(36,568)	(7,286)	(548)	(581)	(45,894)	(90,877)
Translation differences	705	(335)	128	(120)	(455)	(77)
Other	5,040	(18)	97	44	29,335	34,498
<b>At December 31, 2019</b>	<b>242,162</b>	<b>30,930</b>	<b>8,465</b>	<b>9,278</b>	<b>151,025</b>	<b>441,860</b>
Increases	58,825	20,674	2,883	683	93,293	176,358
Decreases	(15,967)	(3,726)	(605)	-	(73,773)	(94,071)
Translation differences	(8,604)	(2,146)	(550)	(2,617)	(13,564)	(27,481)
Other	(7,304)	928	(327)	(948)	(1,232)	(8,883)
<b>At December 31, 2020</b>	<b>269,112</b>	<b>46,660</b>	<b>9,866</b>	<b>6,396</b>	<b>155,749</b>	<b>487,783</b>

Tax asset "increases": The amount of 58,825 thousand euros in 2020 mainly includes tax assets generated by Gestamp North America, LLC. amounting to 24,301 thousand euros and Gestamp Tallent, Ltd. amounting to 13,852 thousand euros.

The amount of 76,687 thousand euros in 2019 mainly included tax assets generated by Gestamp North America, LLC. amounting to 57,499 thousand euros.

"Other movements" of tax assets: The amount of (7,304) thousand euros in 2020 relates mainly to:

- Recognition of tax assets generated in previous years amounting to 30,851 thousand euros.
- Compensation with to deferred tax liabilities of (38,567) thousand euros for the 2019 tax adjustment of Gestamp North America, Inc.

"Increases" of Others: The amount of 93,293 thousand euros in 2020 relates mainly to:

- Deferred taxes generated by the treatment of tools advances and their costs in the Mexican companies amounting to 31,047.3 thousand euros.
- The generation of deferred tax assets due to the application of IFRS 16 amounting to 23,717.4 thousand euros.
- The tax effect of the non-deductible expenses for invoices receivable from Gestamp Polska, SP. z.o.o. for an amount of 8,946.3 thousand euros.
- The tax effect of the limitation on the deductibility of financial expenses in the accounts of the Parent Company amounting to 5,892.2 thousand euros.
- Deferred taxes generated by the capitalisation of interest in Turkey amounting to 2,250 thousand euros.

The amount of 88,866 thousand euros in 2019 related mainly to:

- The generation of deferred tax assets due to the application of IFRS 16 amounting to 19,591 thousand euros.
- The tax effect of the non-deductible expenses for invoices receivable from Gestamp Polska, SP. z.o.o. for an amount of 18,593 thousand euros.
- Deferred taxes generated by the treatment of tools advances and their costs in the Mexican companies amounting to 10,302 thousand euros.
- Deferred taxes generated by the investment in a specific sector or region in Turkey amounting to 9,731 thousand euros.
- Non-deductible financial expenses in the year of Gestamp North America, LLC. amounting to 8,557 thousand euros.
- The tax effect of hedges recognised by the Parent amounting to 2,337 thousand euros.

“Decreases” of Others: The amount of 73,773 thousand euros in 2020 relates mainly to:

- The reversal of deferred taxes due to the application of IFRS 16 amounting to 20,797 thousand euros.
- Reversal of non-deductible expenses for the treatment of prepaid invoices issued amounting to 26,368 thousand euros.
- Reversal of deferred taxes generated by the treatment of tooling advances and their costs in the Mexican companies amounting to 9,365 thousand euros.
- The reversal of the tax effect of hedges recognised by the Parent Company amounting to 5,012 thousand euros.
- Reversal of deferred taxes generated by the treatment of tooling advances and their costs in the Mexican companies amounting to 2,859 thousand euros.

The amount of 45,894 thousand euros in 2019 related mainly to:

- The reversal of deferred taxes due to the application of IFRS 16 amounting to 20,212 thousand euros.
- The reversal of the non-deductible expenses for invoices receivable from Gestamp Polska, SP. z.o.o. for an amount of 9,360 thousand euros.
- Reversal of deferred taxes generated by the treatment of tooling advances and their costs in the Mexican companies amounting to 4,061 thousand euros.
- Reversal of taxes generated by the investment in a specific sector or region in Turkey amounting to 3,290 thousand euros.
- The reversal of the tax effect of hedges recognised by the Parent Company amounting to 2,300 thousand euros.

“Other movements” of Others: The amount of 29,335 thousand euros in 2019 related mainly to:

- Non-deductible financial expenses from previous years of Gestamp North America, LLC.
- Non-deductible financial expenses from previous years of the Parent Company.
- Difference in opening balances in Turkish companies.

Deferred tax liabilities	Thousands of euros						
	Tax deduction - goodwill individual companies	Capitalization of expenses	Allocation to consolidation goodwill	Revaluation of land and buildings	Depreciation/ amortization	Other	Total
<b>At December 31, 2018</b>	<b>11,481</b>	<b>70,240</b>	<b>19,810</b>	<b>47,656</b>	<b>72,349</b>	<b>64,259</b>	<b>285,795</b>
Increases	717	31,853		238	57,913	10,502	101,223
Decreases		(12,586)	(1,543)	(1,090)	(969)	(3,385)	(19,573)
Translation differences		91		(17)	1,285	841	2,200
Other	(10)	(3,003)	(623)	1,561	4,164	(2,220)	(131)
<b>At December 31, 2019</b>	<b>12,188</b>	<b>86,595</b>	<b>17,644</b>	<b>48,348</b>	<b>134,742</b>	<b>69,997</b>	<b>369,514</b>
Increases	1,208	13,225	181		9,103	10,123	33,840
Decreases		(20,446)	(1,611)	(1,090)	(162)	(24,940)	(48,249)
Translation differences		(819)		(306)	(11,674)	(3,844)	(16,643)
Other	711	(1,595)			(41,923)	5,411	(37,396)
<b>At December 31, 2020</b>	<b>14,107</b>	<b>76,960</b>	<b>16,214</b>	<b>46,952</b>	<b>90,086</b>	<b>56,747</b>	<b>301,066</b>

"Increases" in asset amortisation: The amount of 57,913 thousand euros in 2019 included mainly the increase in the company Gestamp North America, LLC. of deferred tax liabilities generated by asset depreciation.

"Other movements" of asset amortisation: The amount of 41,923 thousand euros in 2020 mainly includes the reclassification of the Tax Assets heading of (38,567) thousand euros for the 2019 tax adjustment of Gestamp North America, Inc.

"Decreases" of Others: The amount of 24,940 thousand euros in 2020 relates mainly to:

- Tax effect of the application of IFRS 9 amounting to 5,988 thousand euros.
- Reversal of deferred tax liability as a result of accounting for hedges recognised by the Parent Company amounting to 5,012 thousand euros.
- Reversal of the tax effect of the treatment in Gestamp Polonia, S.P.z.o. of the stage of completion of die cutters amounting to 5,980 euros.

The net translation differences generated in 2019 and 2020 amounted to 2,275 and 10,838 thousand euros, and relate mainly to the application in each year of different exchange rates (see Note 29).



**Note 25. Trade and other payables**

## a) Trade payables

	Thousands of euros	
	2020	2019
Trade accounts payable	796,555	946,680
Trade bills payable	195,526	118,811
Suppliers from related parties (Note 32.1)	468,676	398,030
<b>Total</b>	<b>1,460,757</b>	<b>1,463,521</b>

## b) Other payables

	Thousands of euros	
	2020	2019
VAT payable	49,462	63,325
Tax withholdings payable	24,061	20,802
Other items payable to the tax authorities	19,240	15,994
Payable to social security	36,363	33,904
Other payables	3,886	5,658
Outstanding remuneration	129,003	121,159
<b>Total</b>	<b>262,015</b>	<b>260,842</b>

**Note 26. Operating revenue**

## a) Revenue

The breakdown of revenue by category in 2020 and 2019 is as follows:

	Thousands of euros	
	2020	2019
Parts, prototypes and components	6,591,923	8,127,642
Tooling	587,535	595,555
Byproducts and containers	216,927	286,605
Services rendered	59,455	55,344
<b>Total</b>	<b>7,455,840</b>	<b>9,065,146</b>

The geographical breakdown of revenue was as follows:

	Thousands of euros	
	2020	2019
<b>Western Europe</b>	<b>3,180,270</b>	<b>3,911,445</b>
Spain	1,312,837	1,522,783
Germany	800,109	987,201
United Kingdom	407,895	584,013
France	370,594	485,567
Portugal	239,659	282,080
Sweden	26,547	45,978
Morocco	22,629	3,823
<b>Eastern Europe</b>	<b>1,208,991</b>	<b>1,379,476</b>
Turkey	302,485	400,757
Czech Republic	256,610	250,778
Russia	130,505	180,784
Poland	265,484	320,624
Hungary	83,259	83,987
Slovakia	100,042	68,991
Romania	43,939	50,348
Bulgaria	26,667	23,207
<b>Mercosur</b>	<b>391,325</b>	<b>655,499</b>
Brazil	329,230	529,490
Argentina	62,095	126,009
<b>North America</b>	<b>1,658,942</b>	<b>1,976,193</b>
USA	1,219,347	1,419,426
Mexico	439,595	556,767
<b>Asia</b>	<b>1,016,312</b>	<b>1,142,533</b>
China	812,271	847,035
India	101,966	161,593
South Korea	79,149	109,337
Japan	16,993	15,770
Thailand	5,737	8,586
Taiwan	196	212
	<b>7,455,840</b>	<b>9,065,146</b>

## b) Other operating income

	Thousands of euros	
	2020	2019
Other operating income	45,931	69,908
Capital grants transferred to income for the year (Note 20)	4,823	5,407
Excess provision for taxes	32	70
Excess provision for environmental actions and other liabilities	3,589	2,643
Own work capitalized	82,779	133,005
Other gains/losses	-	559
Gains/(losses) from disposals of intangible assets and PP&E	-	33
Other	-	526
<b>Total</b>	<b>137,154</b>	<b>211,592</b>

Other operating income in 2020 and 2019 mainly includes third-party billing for transactions different from the main activity of the companies.

Also, at 31 December 2019, it includes the net effect of the business combination for the acquisition of Gestamp Etem Automotive Bulgaria, S.A., amounting to 2,523 thousand euros (Note 3).

**Note 27. Operating expenses**

## a) Raw materials and other consumables

The breakdown of cost of materials used in the Consolidated Income Statement is as follows:

	Thousands of euros	
	2020	2019
Purchases of goods and tools	428,527	489,926
Discounts on early payment purchases	(435)	(1,681)
Returns for purchases and similar transactions	595	(8,928)
Volume discounts	(9,557)	(12,583)
Change in inventories (*)	70,213	21,398
Purchases of raw materials	3,006,441	3,768,452
Consumption of other supplies	791,142	892,118
Work carried out by other companies	211,782	303,849
Losses due to impairment of goods, raw materials (*)	4,801	3,499
Reversal of impairment of goods, raw materials (*)	(2,081)	(2,232)
<b>Total</b>	<b>4,501,428</b>	<b>5,453,818</b>

(\*) The total of these line items amounts to a net consumption of commodities of 72,933 thousand euros (Note 13).

## b) Personnel expenses

The breakdown of "Personnel expenses" in the Consolidated Income Statement is as follows:

	Thousands of euros	
	2020	2019
Salaries	1,032,381	1,242,334
Social security	223,237	267,252
Other welfare expenses	81,159	106,337
<b>Total</b>	<b>1,336,777</b>	<b>1,615,923</b>

Other welfare expenses include the amounts relating to contributions from defined contribution pension plans amounting to 2.7 million euros at 31 December 2020 (4.1 million euros at 31 December 2019) (Note 6.16).

The breakdown, by professional category, of the average number of employees in 2020 and 2019 is as follows:

Professional level	2020	2019
Production workers	18,979	22,329
Maintenance	4,900	5,829
Logistic	4,214	4,920
Engineering	2,595	3,120
Quality	2,831	3,382
Administration, finance and IT	3,570	4,358
<b>Total</b>	<b>37,089</b>	<b>43,938</b>

For the calculation of the average number of employees, the period in which they have been affected by Labour Force Adjustment Plans during 2020 has not been taken into account.

The breakdown of the number of employees at year-end, by category, at 31 December 2020 and 2019, is as follows:

Professional level	2020			2019		
	Males	Females	Total	Males	Females	Total
Production workers	16,850	4,014	20,864	18,100	4,214	22,313
Maintenance	5,303	72	5,375	5,713	89	5,802
Logistic	4,126	528	4,654	4,414	569	4,983
Engineering	2,517	325	2,842	2,745	354	3,099
Quality	2,616	571	3,187	2,739	643	3,382
Administration, finance and IT	2,146	1,743	3,889	2,384	1,859	4,243
<b>Total</b>	<b>33,558</b>	<b>7,253</b>	<b>40,811</b>	<b>36,094</b>	<b>7,728</b>	<b>43,822</b>

### c) Other operating expenses

The breakdown of Other operating expenses in the Consolidated Income Statement is as follows:

	Thousands of euros	
	2020	2019
Operation and maintenance	528,755	654,926
Other external services	383,688	465,052
Taxes	29,342	23,645
Impairment of accounts receivable (Note 15.a))	3,140	193
Other gains/losses	17,341	1,683
Losses and impairment of assets	1,632	-
Provision for contingencies and expenses	4,848	1,683
Other	10,861	-
<b>Total</b>	<b>962,266</b>	<b>1,145,499</b>

Included in Operation and maintenance are lease expenses of software leasing, low-value and short-term leases, of 60,044 thousand euros as at 31 December 2020 (86,346 thousand euros as at 31 December 2019).

## Note 28. Finance income and finance costs

### a) Finance income

The breakdown of Finance income in the Consolidated Income Statement is as follows:

	Thousands of euros	
	2020	2019
Income from investments in equity instruments	1	2
Income from current loans to third parties	1	1
Other finance income	15,250	12,988
Income from current loans to related parties (Note 32.1)	222	220
Income from non-current loans to third parties	283	283
<b>Total</b>	<b>15,757</b>	<b>13,494</b>

### b) Finance costs

The breakdown of Finance costs in the Consolidated Income Statement is as follows:

	Thousands of euros	
	2020	2019
Interest on bank borrowings	137,955	118,617
Interest on discounted bills of exchange at banks	86	50
On trade factoring operations with credit institutions (Note 15.a)	6,171	10,843
Other finance expenses	11,044	11,024
Finance expenses IFRS 16	20,247	21,089
Finance expenses on update provisions	495	415
Interest from receivables, related parties (Note 32.1)	5,869	10,777
<b>Total</b>	<b>181,867</b>	<b>172,815</b>

The heading Finance costs in IFRS 16 includes the amounts corresponding to interest on lease liabilities with related parties, which amounted to 1,503 thousand euros at 31 December 2020 (1,354 thousand euros at 31 December 2019) (Note 32.1).

### **Note 29. Corporate income tax**

The Parent Company and its subsidiaries file their corporate income tax returns separately except:

- From January 1, 2014 on, the Parent Company chooses to apply the special fiscal consolidation regime, regulated under Basque Regional Law 11/2013. The subsidiaries included in this fiscal group are Gestamp Bizkaia, S.A; Gestamp Tooling Erandio, S.L.; Gestamp North Europe Services, S.L., Loire S.A.F.E., Gestamp Global Tooling S.L., Matricería Deusto S.L., Adral Matricería y Puesta a punto S.L., Gestamp Tool Hardening S.L., Gestamp Try Out Services S.L., Gestamp Technology Institute S.L., Autotech Engineering, S.L., Reparaciones Industriales Zaldibar, S.L. and Diede Die Development S.L.
- The subsidiaries Gestamp North America, Inc., Gestamp Alabama, LLC., Gestamp Mason, LLC., Gestamp Chattanooga, LLC., Gestamp Chattanooga II LLC., Gestamp South Carolina, LLC., Gestamp West Virginia, LLC. and Gestamp Washtenaw LLC. file a tax return according to fiscal transparency system.
- The subsidiaries Gestamp Griwe Haynrode GmbH and Gestamp Griwe Westerbürg GmbH file a tax return according to a profit and loss transfer agreement.
- The subsidiaries Edscha Holding, GmbH, Edscha Automotive Hengersberg, GmbH, Edscha Automotive Hauzenberg, GmbH, Edscha Engineering, GmbH, Edscha Kunststofftechnik GmbH, Edscha Hengersberg Real Estate, GmbH and Edscha Hauzenberg Real Estate, GmbH file an income tax return in line with a profit and loss transfer agreement.
- The subsidiaries GMF Holding GmbH and Gestamp Umformtechnik GmbH file a tax return according to a profit and loss transfer agreement.
- The subsidiaries Gestamp Sweden, AB and Gestamp HardTech AB file a tax return according to a profit and loss transfer agreement.
- The subsidiaries Automotive Chassis Products UK Ltd, Gestamp Tallent Ltd, Gestamp Washington UK Ltd and Autotech Engineering R&D UK Ltd file a tax return in accordance with a profit and loss transfer agreement.

The detail of corporation taxes in 2020 and 2019, in thousands of euros, is as follows:

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

The reconciliation of deferred tax revenues in 2020 and 2019 and the net variation in deferred tax assets and liabilities was as follows:

	Thousands of euros			
	Deferred tax assets		Deferred tax liabilities	
	2020	2019	2020	2019
Balance (Note 24)	487,783	441,860	301,066	369,514
Variation current year	45,923	118,971	(68,448)	83,719
Net variation (Decrease/Increase in net deferred asset)	114,371	35,252		
Translation differences (*) (Note 24)	10,838	2,275		
Tax effect of hedges registered in Equity (Note 23.b.1)	2,458	(2,593)		
Regularization stock effect of American/Indian companies	-	(3,254)		
Adjustment inflation effect on tax expense from Argentine companies	(748)	(1,500)		
Tax deferral due to inflation adjustment from Argentine companies	-	(1,827)		
Other variations	(366)	(3,647)		
Decrease/Increase in net deferred asset against profit for the year	126,553	24,706		
Income /expense for deferred tax current year	(126,553)	(24,706)		

(\*) Includes the effect of the inflation adjustment of the Argentinian companies on the deferred tax accounts for a cumulative amount of 7,895 thousand euros at 31 December 2020 and 9,273 thousand euros at 31 December 2019, with the negative change for 2020 amounting to 1,378 thousand euros (836 thousand euros, positive, in 2019) (Note 4.5).

The corporation tax expense, in thousands of euros, was obtained based on the accounting profit before tax, as indicated below:

	Thousands of euros	
	2020	2019
<b>Accounting profit (before taxes)</b>	<b>(166,545)</b>	<b>334,082</b>
Theoretical tax expense	(39,971)	80,180
Differences in prevailing rates	(8,008)	(1,848)
Permanent differences	4,434	6,070
Deductions and tax credits previously not recognized	(5,796)	(37,624)
Statute-barred tax credits	56,555	16,967
Adjustments to income tax of prior years	(29,633)	4,994
Adjustments to tax rate	(270)	(1,792)
<b>Tax expense (tax income)</b>	<b>(22,689)</b>	<b>66,947</b>

The theoretical tax rate applied is 24% in both 2020 and 2019.

In 2020, the total amount of the “Theoretical tax rate”, “Difference due to different rates” and “Others adjustments” amounted to negative 48.2 million euros (76.5 million euros, positive, in 2019), resulting in a negative effective rate of the resulting tax of 29%, whereas in 2019 it was positive, with 22.9%.

The Difference due to different rates heading in 2020 and 2019 includes the effect of the different tax rates with respect to the theoretical rate applied, which corresponds mainly to the United States (25.04%); Mexico (30%) and Brazil (34%).

The permanent differences in 2020 and 2019 include mainly the exemption of income for the billing of the brand, non-deductible exchange rate differences and other non-deductible expenses, together with the permanent differences generated in the consolidation process.

The adjustments relating to prior years' taxes in 2020 include mainly the recognition of tax assets accrued in prior years by the Parent Company's tax Group. Also, in 2019 they mainly include the reversal of tax credits that accrued in previous years.

The amounts resulting from the conversion to euros of the tax losses pending offset and of the unused tax incentives at 31 December 2020 and 2019, applying the year-end exchange rates at those dates for those amounts in currencies other than the euro were as follows:

	Millions of euros					
	2020			2019		
	With tax credit registered	Without tax credit registered	Total	With tax credit registered	Without tax credit registered	Total
Negative tax bases pending to be offset	789	1,495	<b>2,284</b>	605	887	<b>1,492</b>
<i>Tax credit</i>	190	377	<b>567</b>	177	203	<b>380</b>
Unused tax incentives	79	168	<b>247</b>	65	163	<b>228</b>
<i>Tax credit</i>	79	168	<b>247</b>	65	163	<b>228</b>
<b>Total Tax credit registered (Note 24)</b>	<b>269</b>			<b>242</b>		

Those unused tax losses and tax incentives that the Group considers to be recoverable based on the projections for the generation of future tax profits and the temporary limits and limits for the offset of these tax losses and tax incentives were capitalised at 31 December 2020 and 2019.

The recoverability of the tax assets was analysed based on the estimates of future results for each of the companies. Such recoverability depends, in the last resort, on the capacity of each company to generate taxable profit over the period in which the deferred tax assets are deductible.

Accordingly, the recoverability analysis was prepared on the basis of the time period in force for these tax assets, with a maximum of 10 years, using the current conditions for the use of such tax assets, especially the limits to offset such tax losses.

The tax losses pending offset and the unused tax incentives at 31 December 2020 and 2019, whose tax assets had been recognised, have the following details by expiry date:

2020		
Millions of euros		
Range of maturity	NEGATIVE TAX BASES	TAX INCENTIVES
2021-2026	500	5
2027-2032	78	6
2033 onwards	167	7
Without limit	44	61
<b>Total</b>	<b>789</b>	<b>79</b>

2019		
Millions of euros		
Range of maturity	NEGATIVE TAX BASES	TAX INCENTIVES
2020-2025	28	1
2026-2031	161	1
2032 onwards	99	62
Without limit	317	1
<b>Total</b>	<b>605</b>	<b>65</b>

The tax losses pending offset and the unused tax incentives at 31 December 2020 and 2019, whose tax assets had not been recognised, have the following details by expiry date:

2020		
Millions of euros		
Range of maturity	NEGATIVE TAX BASES	TAX INCENTIVES
2021-2026	547	3
2027-2032	118	16
2033 onwards	55	5
Without limit	775	144
<b>Total</b>	<b>1,495</b>	<b>168</b>

2019		
Millions of euros		
Range of maturity	NEGATIVE TAX BASES	TAX INCENTIVES
2020-2025	128	7
2026-2031	90	16
2032 onwards	77	131
Without limit	592	9
<b>Total</b>	<b>887</b>	<b>163</b>

Most of the Group companies have all the taxes applicable to them open for review, for the whole period pending expiry (four years from the presentation date for the Spanish companies, except those located in Basque territory, which expire at three years and, generally, five years for foreign operations) or from the date on which they are formed if such date is more recent.

The directors of the Parent Company and subsidiaries calculated the corporation tax for 2020 and that open for review, in accordance with the prevailing regulations in each year. Due to the possible interpretations of the tax regulations that may arise as a result of the above, there may be differences associated with the calculation of corporation tax for 2020 and prior years that cannot be objectively quantified. However, in the opinion of the Group's directors and its tax and legal advisors, the tax liability that might arise from them would not materially affect the consolidated financial statements.



**Note 30. Earnings per share**

Basic earnings per share are calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share are also calculated by adjusting the profit attributable to ordinary equity holders of the Parent Company and the weighted average number of ordinary shares outstanding by all the dilutive effects inherent to potential ordinary shares.

Basic and diluted earnings per share for 2020 and 2019 are as follows:

	2020	2019
Profit attributable to the shareholders of the Parent Company (Thousands of euros)	(151,055)	212,272
Loss from discontinued activities attributable to the shareholders of the Parent company (Thousands of euros)	-	-
Weighted average number of ordinary shares outstanding (Thousands of shares)	574,409	574,651
Basic earnings per share from continuing operations (Euros per share)	(0.26)	0.37
Basic earnings per share from discontinued operations (Euros per share)	-	-
Diluted earnings per share from continuing operations (Euros per share)	(0.26)	0.37

The calculation of the weighted average number of ordinary shares at 31 December 2020 does not include the average number of own shares in of 2020, which amounted to 1,105 thousand shares (870 thousand shares in the first nine months of 2019).

**Note 31. Commitments**

The Group is lessee of buildings, warehouses, machinery and vehicles. At 1 January 2019, the Group implemented the transition to IFRS 16 without modifying the comparative figures for the previous year.

The information relating to the lease arrangements at 31 December 2020 was included in the corresponding Notes, by type (Note 11 and Note 23.c.4).

The amount recognised as a lease expense at 31 December 2020 and 2019 relates to agreements of one year or less, which are not material, and to lease arrangements that may be similar to the provision of services, totalling 60,044 thousand euros (86,346 thousand euros at 31 December 2019), recognised under Other operating expenses (Note 27.c).

The commitments acquired by the different Group companies relating to the acquisition of fixed assets and tools amounted to 301 million euros at 31 December 2020 (272 at 31 December 2019). It is foreseeable that these orders will be executed from 2021 to 2024.

The Group has no guarantees granted to third parties. The amount of guarantees received by the Group from financial institutions and provided to third parties at 31 December 2020 amounts to 137 million euros (256 million euros at 31 December 2019).

**Note 32. Related party transactions****32.1 Balances and transactions with Related Parties**

At 31 December 2020 and 31 December 2019, the transactions carried out with related parties were as follows:

	Thousands of euros	
	2020	2019
Receivables / Payables	(508,590)	(476,427)
Revenue		
Sales of goods	(489,138)	(529,392)
Services rendered	(5,277)	(5,960)
Finance income	(222)	(220)
Expenses		
Purchases	1,325,288	1,622,978
Services received	56,647	64,382
Finance expenses	5,869	10,777
Finance expenses IFRS 16	1,503	1,354

Receivable balance: positive / Balance payable: negative

The related parties in the following tables are subsidiaries and associates of the Acek Desarrollo y Gestión Industrial, S.L. Group in which the Parent Company does not directly or indirectly hold any ownership interests.

Sales included in the accompanying tables detailing transactions with related parties relate mainly to the sale of by-products, while the most significant purchases relate to the supply of steel and services received for machine shop and steel cutting works.

There are no purchase commitments with related parties that are not related to the Group's own production activity.

The breakdown of receivables from and payables to related parties at 31 December 2020 were as follows:

31-12-2020			
Company	Thousands of euros	Company	Thousands of euros
<b>Shareholders</b>		<b>Related parties</b>	
JSC Karelsky Okatysh	(4,694)	Gonvauto Thüringen, GMBH	75
Mitsui & Co., Ltd.	(46,626)	<b>Total Debtors, related parties ( Note 15.b)</b>	<b>75</b>
<b>Total non-current loans ( Note 23.c.2)</b>	<b>(51,320)</b>	<b>Shareholders</b>	
<b>Shareholders</b>		Acek, Desarrollo y Gestión Industrial, S.L.	(2,443)
Mitsui & Co., Ltd.	(46,626)	<b>Related parties</b>	
Tuyauto, S.A.	(2,153)	Gescrap Autometal México, S.A. de C.V.	(2)
<b>Related parties</b>		<b>Associates</b>	
Gescrap Bilbao, S.L.	(92)	Kunshan Gestool Tooling Manufacturing Co, Ltd	(851)
<b>Total current loans ( Note 23.c.2)</b>	<b>(48,871)</b>	<b>Total short-term asset suppliers ( Note 23.c.2)</b>	<b>(3,296)</b>
<b>Related parties</b>		<b>Shareholders</b>	
Beijing Hainachuan Automotive Parts Co., Ltd.	(3,889)	Acek, Desarrollo y Gestión Industrial, S.L.	(20,703)
Gonvarri Czech, S.R.O.	(6,822)	<b>Total long-term asset suppliers ( Note 23.c.2)</b>	<b>(20,703)</b>
Gonvarri Polska SP, Z.o.o.	(1,238)	<b>Shareholders</b>	
Gonvauto Navarra, S.A.	(1,144)	Acek, Desarrollo y Gestión Industrial, S.L.	(1,080)
Inmobiliaria Acek, S.L.	(10,412)	JSC Karelsky Okatysh	(4)
<b>Associates</b>		Mitsui & Co., Ltd.	23
Gestión Global de Matricería, S.L.	(6,529)	<b>Related parties</b>	
<b>Total Non-current operating leases (IFRS 16) ( Note 23.c.4)</b>	<b>(30,034)</b>	Gonvarri I. Centro Servicios, S.L.	(36)
<b>Related parties</b>		<b>Total interest payable ( Note 23.c.2)</b>	<b>(1,097)</b>
Beijing Hainachuan Automotive Parts Co., Ltd.	(2,054)	<b>Shareholders</b>	
Gonvarri Czech, S.R.O.	(1,885)	Others shareholders	(3)
Gonvarri Polska SP, Z.o.o.	(395)	<b>Total Dividends payable ( Note 23.d)</b>	<b>(3)</b>
Gonvauto Navarra, S.A.	(294)	<b>Shareholders</b>	
Inmobiliaria Acek, S.L.	(1,316)	Acek, Desarrollo y Gestión Industrial, S.L.	(5,724)
<b>Associates</b>		Beijing Hainachuan Automotive Parts Co., Ltd.	(292)
Gestión Global de Matricería, S.L.	(2,777)	<b>Related parties</b>	
<b>Total Current operating leases (IFRS 16) ( Note 23.c.4)</b>	<b>(8,721)</b>	ArceIorMittal Flat Carbon, Luxemburg	(428)
<b>Associates</b>		ArceIorMittal Gonvarri Brasil Ptos. Siderúrgicos, S.A.	(30,749)
Gestión Global de Matricería, S.L.	21,400	Dongguan Gonvarri Center, LTD.	(2,857)
<b>Total Non-current Loans ( Note 12.a.2)</b>	<b>21,400</b>	Gescrap Autometal Comercio de Sucatas, S.A.	(5)
<b>Associates</b>		Gescrap Autometal México, S.A. de C.V.	(2)
Gestión Global de Matricería, S.L.	129	Gescrap Bilbao, S.L.	(15)
<b>Total interest receivable</b>	<b>129</b>	Gescrap France S.A.R.L.	(14)
<b>Related parties</b>		Gescrap GmbH	(13)
GES Recycling USA Llc.	4,918	Gescrap Navarra, S.L.	(2)
GES Recycling, Ltd.	5	Gescrap Slovakia S.R.O.	(976)
Gescrap Aragón, S.L.	110	Gonvarri Argentina, S.A.	(4,376)
Gescrap Autometal Comercio de Sucatas, S.A.	329	Gonvarri Czech, S.R.O.	(42)
Gescrap Autometal México, S.A. de C.V.	1,315	Gonvarri Galicia, S.A.	(44,919)
Gescrap Bilbao, S.L.	2,736	Gonvarri I. Centro Servicios, S.L.	(150,731)
Gescrap Centro, S.L.	1,376	Gonvarri Polska SP, Z.o.o.	(30,835)
Gescrap Czech, S.R.O.	107	Gonvarri Ptos. Siderúrgicos, S.A.	(30,710)
Gescrap France S.A.R.L.	2,926	Gonvauto Asturias, S.L.	(4,198)
Gescrap GmbH	3,878	Gonvauto Navarra, S.A.	(12,992)
Gescrap Hungary, Kft.	345	Gonvauto Puebla, S.A. de C.V.	(25,696)
Gescrap India Private Limited	20	Gonvauto South Carolina Llc.	(3,199)
Gescrap Navarra, S.L.	350	Gonvauto Thüringen, GMBH	(15,949)
Gescrap Noroeste, S.L.U.	554	Gonvauto, S.A.	(29,510)
Gescrap Polska SP, ZOO.	1,583	ArceIor Group	(26,070)
Gescrap Romania, S.R.L.	367	Industrial Ferrodistribuidora, S.L.	(6,671)
Gescrap Slovakia S.R.O.	627	Inmobiliaria Acek, S.L.	(274)
Gonvarri Czech, S.R.O.	70	Láser Automotive Barcelona, S.L.	(939)
Gonvarri Galicia, S.A.	50	Severstal Gonvarri Kaluga, LLC	(4,559)
Gonvarri I. Centro Servicios, S.L.	1,232	Steel & Alloy, Ltd.	(4,577)
Gonvarri Industrial, S.A.	590	<b>Associates</b>	
Gonvarri Polska SP, Z.o.o.	10	Etem Gestamp Aluminium Extrusions, S.A.	(2,157)
Gonvauto Asturias, S.L.	403	Gestamp Auto Components Sales (Tianjin) Co., Ltd.	(8,548)
Gonvauto Navarra, S.A.	392	Gestión Global de Matricería, S.L.	(326)
Gonvauto Puebla, S.A. de C.V.	3,424	GGM Puebla, S.A. de C.V.	(3,222)
Gonvauto South Carolina Llc.	2,942	Global Laser Araba, S.L.	(3,701)
Gonvauto Thüringen, GMBH	305	Ingeniería y Construcción Matrices, S.A.	(3,564)
Gonvauto, S.A.	97	IxCxT, S.A.	(567)
Gonvama, Ltd.	483	Kunshan Gestool Tooling Manufacturing Co, Ltd	(9,267)
ArceIor Group	2,334	<b>Total Suppliers, related parties ( Note 25.a)</b>	<b>(468,676)</b>
GS Hot-Stamping Co., Ltd.	5		
Industrial Ferrodistribuidora, S.L.	1,435		
Láser Automotive Barcelona, S.L.	70		
Road Steel Engineering, S.L.	2		
Steel & Alloy, Ltd.	98		
<b>Associates</b>			
Etem Gestamp Aluminium Extrusions, S.A.	1		
Gestamp Auto Components Sales (Tianjin) Co., Ltd.	48,095		
Gestión Global de Matricería, S.L.	614		
GGM Puebla, S.A. de C.V.	3,425		
Global Laser Araba, S.L.	30		
Ingeniería y Construcción Matrices, S.A.	4,376		
IxCxT, S.A.	403		
Kunshan Gestool Tooling Manufacturing Co, Ltd	10,095		
<b>Total Trade receivables from related parties ( Note 15.a)</b>	<b>102,527</b>		
		<b>Total debit/credit balances</b>	<b>(508,590)</b>

The breakdown of receivables from and payables to related parties at 31 December 2019 were as follows:

31-12-2019			
Company	Thousands of euros	Company	Thousands of euros
<b>Shareholders</b>		<b>Related parties</b>	
JSC Karelsky Okatysh	(4,674)	Gonvauto Thüringen, GMBH	71
Mitsui & Co., Ltd.	(101,523)	<b>Associates</b>	
<b>Total non-current loans (Note 23.c.2)</b>	<b>(106,197)</b>	Kunshan Gestool Tooling Manufacturing Co, Ltd	203
<b>Shareholders</b>		<b>Total Debtors, related parties ( Note 15.b)</b>	<b>274</b>
Tuyauto, S.A.	(1,470)	<b>Shareholders</b>	
<b>Related parties</b>		Acek, Desarrollo y Gestión Industrial, S.L.	(21,963)
Gescrap Bilbao, S.L.	(93)	<b>Total long-term asset suppliers (Note 23.c.2)</b>	<b>(21,963)</b>
<b>Total current loans (Note 23.c.2)</b>	<b>(1,563)</b>	<b>Shareholders</b>	
<b>Related parties</b>		Acek, Desarrollo y Gestión Industrial, S.L.	(1,183)
Gonvarri Czech, S.R.O.	(8,685)	<b>Associates</b>	
Gonvauto Navarra, S.A.	(1,435)	GGM Puebla, S.A. de C.V.	(125)
Inmobiliaria Acek, S.L.	(11,689)	Kunshan Gestool Tooling Manufacturing Co, Ltd	(233)
<b>Associates</b>		<b>Total short-term asset suppliers (Note 23.c.2)</b>	<b>(1,541)</b>
Gestión Global de Matricería, S.L.	(9,357)	<b>Shareholders</b>	
<b>Total Non-current operating leases (IFRS 16) (Note 23.c.4)</b>	<b>(31,166)</b>	Acek, Desarrollo y Gestión Industrial, S.L.	(1,138)
<b>Shareholders</b>		JSC Karelsky Okatysh	(4)
Beijing Hainachuan Automotive Parts Co., Ltd.	(1,259)	<b>Related parties</b>	
<b>Related parties</b>		Gonvarri I. Centro Servicios, S.L.	(36)
Gonvarri Czech, S.R.O.	(1,832)	<b>Total interest payable (Note 23.c.2)</b>	<b>(1,178)</b>
Gonvauto Navarra, S.A.	(286)	<b>Shareholders</b>	
Inmobiliaria Acek, S.L.	(1,270)	Acek, Desarrollo y Gestión Industrial, S.L.	(6,232)
<b>Associates</b>		Free float	(9,511)
Gestión Global de Matricería, S.L.	(2,718)	Gestamp 2020, S.L.	(15,858)
<b>Total Current operating leases (IFRS 16) (Note 23.c.4)</b>	<b>(7,365)</b>	Others shareholders	(213)
<b>Associates</b>		<b>Total Dividends payable (Note 23.d)</b>	<b>(31,814)</b>
Gestión Global de Matricería, S.L.	21,400	<b>Shareholders</b>	
<b>Total Current Loans (Note 12.b.1)</b>	<b>21,400</b>	Acek, Desarrollo y Gestión Industrial, S.L.	(1,179)
<b>Associates</b>		Beijing Hainachuan Automotive Parts Co., Ltd.	(124)
Gestión Global de Matricería, S.L.	44	<b>Related parties</b>	
<b>Total Interest receivable</b>	<b>44</b>	Air Executive, S.L.	(14)
<b>Shareholders</b>		ArcelorMittal Flat Carbon, Luxemburg	(9,167)
Acek, Desarrollo y Gestión Industrial, S.L.	839	ArcelorMittal Gonvarri Brasil Ptos. Siderúrgicos, S.A.	(25,740)
<b>Related parties</b>		Dongguan Gonvarri Center, LTD.	94
GES Recycling USA Llc.	3,080	Gescrap Autometal México, S.A. de C.V.	(1)
Gescrap Aragón, S.L.	74	Gescrap France S.A.R.L.	(1)
Gescrap Autometal Comercio de Sucatas, S.A.	499	Gescrap GmbH	(23)
Gescrap Autometal México, S.A. de C.V.	816	Gescrap Navarra, S.L.	(3)
Gescrap Bilbao, S.L.	2,877	Gescrap Slovakia S.R.O.	(502)
Gescrap Centro, S.L.	1,378	Gonvarri Argentina, S.A.	(2,902)
Gescrap Czech, S.R.O.	68	Gonvarri Galicia, S.A.	(47,317)
Gescrap Desarrollo, S.L.U.	(8)	Gonvarri I. Centro Servicios, S.L.	(126,914)
Gescrap France S.A.R.L.	2,197	Gonvarri Polska SP, Z.o.o.	(35,501)
Gescrap GmbH	3,290	Gonvarri Ptos. Siderúrgicos, S.A.	(21,298)
Gescrap Hungary, Kft.	235	Gonvauto Asturias, S.L.	(4,039)
Gescrap India Private Limited	(2)	Gonvauto Navarra, S.A.	(8,408)
Gescrap Navarra, S.L.	230	Gonvauto Puebla, S.A. de C.V.	(30,868)
Gescrap Noroeste, S.L.U.	505	Gonvauto South Carolina Llc.	2,376
Gescrap Polska SP, ZOO.	873	Gonvauto Thüringen, GMBH	(13,033)
Gescrap Slovakia S.R.O.	397	Gonvauto, S.A.	(20,499)
Gonvarri Argentina, S.A.	42	Gonvvama, Ltd.	(19)
Gonvarri Czech, S.R.O.	70	Arcelor Group	(18,264)
Gonvarri I. Centro Servicios, S.L.	247	Arcelor Group (rapel)	10,701
Gonvarri Industrial, S.A.	517	Industrial Ferrodistribuidora, S.L.	(5,351)
Gonvarri Polska SP, Z.o.o.	15	Inmobiliaria Acek, S.L.	(199)
Gonvauto Asturias, S.L.	374	Láser Automotive Barcelona, S.L.	(958)
Gonvauto Navarra, S.A.	1,787	Severstal Gonvarri Kaluga, LLC	(5,203)
Gonvauto Puebla, S.A. de C.V.	505	Steel & Alloy, Ltd.	(12,768)
Gonvauto South Carolina Llc.	1,254	Others	(1)
Gonvauto Thüringen, GMBH	959	<b>Associates</b>	
Gonvauto, S.A.	343	Etem Gestamp Aliminium Extrusions, S.A.	(2,507)
Gonvvama, Ltd.	534	Gestión Global de Matricería, S.L.	(386)
GS Hot-Stamping Co., Ltd.	5	GGM Puebla, S.A. de C.V.	(3,426)
Industrial Ferrodistribuidora, S.L.	763	Global Laser Araba, S.L.	(1,083)
Láser Automotive Barcelona, S.L.	50	Ingeniería y Construcción Matrices, S.A.	(2,021)
Road Steel Engineering, S.L.	3	IxCXT, S.A.	(482)
Steel & Alloy, Ltd.	46	Kunshan Gestool Tooling Manufacturing Co, Ltd	(11,000)
<b>Associates</b>		<b>Total Suppliers, related parties (Note 25.a)</b>	<b>(398,030)</b>
Etem Gestamp Aliminium Extrusions, S.A.	2		
Gestamp Auto Components Sales (Tianjin) Co., Ltd.	61,955		
Gestión Global de Matricería, S.L.	506		
GGM Puebla, S.A. de C.V.	5,763		
Global Laser Araba, S.L.	36		
Ingeniería y Construcción Matrices, S.A.	2,551		
IxCXT, S.A.	302		
Kunshan Gestool Tooling Manufacturing Co, Ltd	6,695		
<b>Total Trade receivables from related parties (Note 15.a)</b>	<b>102,672</b>		
		<b>Total debit/credit balances</b>	<b>(476,427)</b>

The breakdown of transactions with related parties at 31 December 2020 was as follows:

31-12-2020			
Company	Thousands of euros	Company	Thousands of euros
<b>Related parties</b>		<b>Related parties</b>	
Dongguan Gonvarri Center, LTD.	(53)	ArcelorMittal Flat Carbon, Luxemburg	41,549
GES Recycling USA Llc.	(39,273)	ArcelorMittal Gonvarri Brasil Ptos. Siderúrgicos, S.A.	87,668
GES Recycling, Ltd.	(9,258)	Dongguan Gonvarri Center, LTD.	25,332
Gescrap Aragón, S.L.	(1,075)	Gescrap Autometal Comercio de Sucatas, S.A.	5
Gescrap Autometal Comercio de Sucatas, S.A.	(9,771)	Gonvarri Argentina, S.A.	19,859
Gescrap Autometal México, S.A. de C.V.	(12,489)	Gonvarri Galicia, S.A.	86,126
Gescrap Bilbao, S.L.	(19,630)	Gonvarri I. Centro Servicios, S.L.	289,158
Gescrap Centro, S.L.	(6,242)	Gonvarri Polska SP, Z.o.o.	115,375
Gescrap Czech, S.R.O.	(1,074)	Gonvarri Ptos. Siderúrgicos, S.A.	39,985
Gescrap France S.A.R.L.	(12,787)	Gonvauto Asturias, S.L.	12,771
Gescrap GmbH	(24,450)	Gonvauto Navarra, S.A.	21,621
Gescrap Hungary, Kft.	(314)	Gonvauto Puebla, S.A. de C.V.	100,226
Gescrap India Private Limited	(3,930)	Gonvauto South Carolina Llc.	57,170
Gescrap Navarra, S.L.	(3,996)	Gonvauto Thüringen, GMBH	94,282
Gescrap Noroeste, S.L.U.	(2,580)	Gonvauto, S.A.	50,172
Gescrap Polska SP, ZOO.	(13,145)	Arcelor Group	125,830
Gescrap Romania, S.R.L.	(1,698)	Industrial Ferrodistribuidora, S.L.	16,565
Gescrap Rusia, Ltd.	(2)	Láser Automotive Barcelona, S.L.	213
Gescrap Slovakia S.R.O.	(1,163)	Severstal Gonvarri Kaluga, LLC	38,248
Gonvarri Argentina, S.A.	(13)	Steel & Alloy, Ltd.	70,906
Gonvarri Galicia, S.A.	(1)	<b>Associates</b>	
Gonvarri I. Centro Servicios, S.L.	(967)	Etem Gestamp Aliminium Extrusions, S.A.	20,774
Gonvauto Asturias, S.L.	(2,517)	Gestamp Auto Components Sales (Tianjin) Co., Ltd.	7,690
Gonvauto Navarra, S.A.	(2,916)	GGM Puebla, S.A. de C.V.	2,404
Gonvauto Puebla, S.A. de C.V.	(8,353)	Kunshan Gestool Tooling Manufacturing Co, Ltd	1,359
Gonvauto South Carolina Llc.	(6,869)	<b>Total Purchases</b>	<b>1,325,288</b>
Gonvauto Thüringen, GMBH	(1,174)	<b>Shareholders</b>	
Gonvauto, S.A.	(5,409)	Acek, Desarrollo y Gestión Industrial, S.L.	5,773
Arcelor Group	(1,775)	Beijing Hainachuan Automotive Parts Co., Ltd.	2,895
Hierros y Aplanaciones, S.A.	(50)	<b>Related parties</b>	
Industrial Ferrodistribuidora, S.L.	(309)	ArcelorMittal Gonvarri Brasil Ptos. Siderúrgicos, S.A.	202
Láser Automotive Barcelona, S.L.	(120)	Dongguan Gonvarri Center, LTD.	5
<b>Associates</b>		Gescrap Autometal Comercio de Sucatas, S.A.	21
Etem Gestamp Aliminium Extrusions, S.A.	(12)	Gescrap Autometal México, S.A. de C.V.	7
Gestamp Auto Components Sales (Tianjin) Co., Ltd.	(292,731)	Gescrap France S.A.R.L.	15
Gestión Global de Matricería, S.L.	(125)	Gescrap GmbH	220
GGM Puebla, S.A. de C.V.	(773)	Gescrap Navarra, S.L.	12
Ingeniería y Construcción Matrices, S.A.	(1,239)	Gescrap Slovakia S.R.O.	2,461
Kunshan Gestool Tooling Manufacturing Co, Ltd	(855)	Gonvarri Argentina, S.A.	53
<b>Total Sales</b>	<b>(489,138)</b>	Gonvarri Czech, S.R.O.	3,133
<b>Shareholders</b>		Gonvarri Galicia, S.A.	44
Acek, Desarrollo y Gestión Industrial, S.L.	(94)	Gonvarri I. Centro Servicios, S.L.	12
<b>Related parties</b>		Gonvarri Polska SP, Z.o.o.	668
Acek energías renovables, S.L.	(385)	Gonvarri Ptos. Siderúrgicos, S.A.	282
GES Recycling USA Llc.	(4)	Gonvauto Navarra, S.A.	724
Gescrap Aragón, S.L.	(9)	Gonvauto Puebla, S.A. de C.V.	50
Gescrap Autometal México, S.A. de C.V.	(3)	Gonvauto South Carolina Llc.	10,467
Gescrap France S.A.R.L.	(9)	Gonvauto Thüringen, GMBH	10
Gescrap Polska SP, ZOO.	(43)	Gonvama, Ltd.	33
Gescrap Romania, S.R.L.	(56)	Arcelor Group	216
Gescrap Slovakia S.R.O.	(59)	Hierros y Aplanaciones, S.A.	9
Gonvarri I. Centro Servicios, S.L.	(6)	Industrial Ferrodistribuidora, S.L.	11
Gonvarri Industrial, S.A.	(55)	Inmobiliaria Acek, S.L.	2,428
Gonvarri Polska SP, Z.o.o.	(6)	Láser Automotive Barcelona, S.L.	2,190
Gonvarri Ptos. Siderúrgicos, S.A.	(28)	<b>Associates</b>	
Gonvauto Asturias, S.L.	(64)	Etem Gestamp Aliminium Extrusions, S.A.	705
Gonvauto Thüringen, GMBH	(8)	Gestamp Auto Components Sales (Tianjin) Co., Ltd.	13
Gonvauto, S.A.	(1,854)	Gestión Global de Matricería, S.L.	3,457
Gonvvama, Ltd.	(1,854)	GGM Puebla, S.A. de C.V.	6,013
GRI Renewable industries, S.L.	(28)	Global Laser Araba, S.L.	5,730
Arcelor Group	(7)	Ingeniería y Construcción Matrices, S.A.	4,568
Inmobiliaria Acek, S.L.	(19)	IxCxT, S.A.	1,423
Road Steel Engineering, S.L.	(22)	Kunshan Gestool Tooling Manufacturing Co, Ltd	2,797
<b>Associates</b>		<b>Total Services received</b>	<b>56,647</b>
Etem Gestamp Aliminium Extrusions, S.A.	(4)	<b>Shareholders</b>	
Gestamp Auto Components Sales (Tianjin) Co., Ltd.	(290)	Acek, Desarrollo y Gestión Industrial, S.L.	1,459
Gestión Global de Matricería, S.L.	(15)	JSC Karelsky Okatysh	318
GGM Puebla, S.A. de C.V.	(799)	Mitsui & Co., Ltd.	2,808
Global Laser Araba, S.L.	(54)	Tuyauto, S.A.	20
Ingeniería y Construcción Matrices, S.A.	(424)	<b>Related parties</b>	
IxCxT, S.A.	(130)	ArcelorMittal Gonvarri Brasil Ptos. Siderúrgicos, S.A.	283
Kunshan Gestool Tooling Manufacturing Co, Ltd	(800)	Gonvarri Czech, S.R.O.	41
<b>Total Services rendered</b>	<b>(5,277)</b>	Gonvarri Galicia, S.A.	287
<b>Related parties</b>		Gonvarri I. Centro Servicios, S.L.	234
Gonvauto Puebla, S.A. de C.V.	(5)	Gonvarri Ptos. Siderúrgicos, S.A.	135
<b>Associates</b>		Gonvauto Navarra, S.A.	24
Gestión Global de Matricería, S.L.	(217)	Gonvauto Puebla, S.A. de C.V.	144
<b>Total Financial income (Note 28.a)</b>	<b>(222)</b>	Gonvauto, S.A.	54
		Arcelor Group	44
		Industrial Ferrodistribuidora, S.L.	18
		<b>Total Financial expenses (Note 28.b)</b>	<b>5,869</b>
		<b>Shareholders</b>	
		Beijing Hainachuan Automotive Parts Co., Ltd.	235
		<b>Related parties</b>	
		Gonvarri Czech, S.R.O.	303
		Gonvarri Polska SP, Z.o.o.	65
		Gonvauto Navarra, S.A.	48
		Inmobiliaria Acek, S.L.	491
		<b>Associates</b>	
		Gestión Global de Matricería, S.L.	361
		<b>Total Financial expenses IFRS 16 (Note 28.b)</b>	<b>1,503</b>

The breakdown of transactions with related parties at 31 December 2019 was as follows:

31-12-2019			
Company	Thousands of euros	Company	Thousands of euros
<b>Related parties</b>			
GES Recycling, Ltd.	(4,378)	ArcelorMittal Flat Carbon, Luxemburg	64,755
GES Recycling USA Llc.	(45,512)	ArcelorMittal Gonvarri Brasil Ptos. Siderúrgicos, S.A.	125,064
Gescrap Aragón, S.L.	(1,571)	Dongguan Gonvarri Center, LTD.	27,279
Gescrap Autometal Comercio de Sucatas, S.A.	(16,677)	Gonvarri Argentina, S.A.	34,266
Gescrap Autometal México, S.A. de C.V.	(19,602)	Gonvarri Galicia, S.A.	106,572
Gescrap Bilbao, S.L.	(25,170)	Gonvarri I. Centro Servicios, S.L.	365,898
Gescrap Centro, S.L.	(7,974)	Gonvarri Polska SP, Z.o.o.	148,041
Gescrap Czech, S.R.O.	(1,340)	Gonvarri Ptos. Siderúrgicos, S.A.	48,109
Gescrap France S.A.R.L.	(18,016)	Gonvauto Asturias, S.L.	11,822
Gescrap GmbH	(33,513)	Gonvauto Navarra, S.A.	22,462
Gescrap Hungary, Kft.	(2,879)	Gonvauto Puebla, S.A. de C.V.	142,718
Gescrap Navarra, S.L.	(5,699)	Gonvauto South Carolina Llc.	67,032
Gescrap Noroeste, S.L.U.	(3,312)	Gonvauto Thüringen, GMBH	128,958
Gescrap Polska SP, ZOO.	(19,156)	Gonvauto, S.A.	64,538
Gescrap Rusia, Ltd.	(2,267)	Gonvama, Ltd.	146
Gescrap Slovakia S.R.O.	(842)	Arcelor group	67,871
Gonvarri Czech, S.R.O.	(116)	Industrial Ferrodistribuidora, S.L.	12,708
Gonvauto Asturias, S.L.	(3,550)	Láser Automotive Barcelona, S.L.	209
Gonvauto Navarra, S.A.	(5,654)	Severstal Gonvarri Kaluga, LLC	61,422
Gonvauto Puebla, S.A. de C.V.	(442)	Steel & Alloy, Ltd.	98,870
Gonvauto South Carolina Llc.	(1,191)	<b>Associates</b>	
Gonvauto Thüringen, GMBH	(6,755)	GGM Puebla, S.A. de C.V.	4,080
Gonvauto, S.A.	(8,305)	Kunshan Gestool Tooling Manufacturing Co, Ltd	790
Steel & Alloy, Ltd.	(46)	Etem Gestamp Aluminium Extrusions, S.A.	19,368
Hierros y Aplanaciones, S.A.	(65)	<b>Total Purchases</b>	
Industrial Ferrodistribuidora, S.L.	(275)	<b>Shareholders</b>	
Láser Automotive Barcelona, S.L.	(122)	Acek, Desarrollo y Gestión Industrial, S.L.	8,116
Severstal Gonvarri Kaluga, LLC	(79)	Beijing Hainachuan Automotive Parts Co., Ltd.	2,407
Gescrap India Private Limited	(8,829)	<b>Related parties</b>	
<b>Associates</b>			
Gestamp Auto Components Sales (Tianjin) Co., Ltd.	(267,686)	Air Executive, S.L.	273
Gestión Global de Matricería, S.L.	(14,000)	ArcelorMittal Gonvarri Brasil Ptos. Siderúrgicos, S.A.	1,195
GGM Puebla, S.A. de C.V.	(1,405)	Dongguan Gonvarri Center, LTD.	8
Kunshan Gestool Tooling Manufacturing Co, Ltd	(2,385)	Gescrap Autometal Comercio de Sucatas, S.A.	68
Etem Gestamp Aluminium Extrusions, S.A.	(18)	Gescrap Autometal México, S.A. de C.V.	9
Ingeniería y Construcción Matrices, S.A.	(561)	Gescrap France S.A.R.L.	12
<b>Total Sales</b>			
<b>(529,392)</b>			
<b>Shareholders</b>			
Acek, Desarrollo y Gestión Industrial, S.L.	(779)	Gescrap GmbH	304
<b>Related parties</b>			
GES Recycling USA Llc.	(3)	Gescrap Navarra, S.L.	15
Gescrap Autometal México, S.A. de C.V.	(109)	Gescrap Slovakia S.R.O.	2,322
Gescrap Bilbao, S.L.	(1)	Gonvarri Argentina, S.A.	344
Gescrap France S.A.R.L.	(21)	Gonvarri Czech, S.R.O.	5,016
Gescrap Noroeste, S.L.U.	(4)	Gonvarri Galicia, S.A.	43
Gescrap Hungary, Kft.	(5)	Gonvarri I. Centro Servicios, S.L.	81
Gescrap Polska SP, ZOO.	(59)	Gonvarri Industrial, S.A.	3
Gescrap Rusia, Ltd.	(2)	Gonvarri Polska SP, Z.o.o.	665
Gonvarri Industrial, S.A.	(767)	Gonvarri Ptos. Siderúrgicos, S.A.	261
Gonvarri Polska SP, Z.o.o.	(55)	Gonvauto Asturias, S.L.	(168)
Gonvarri Ptos. Siderúrgicos, S.A.	(1)	Gonvauto Navarra, S.A.	439
Gonvauto Puebla, S.A. de C.V.	(4)	Gonvauto Puebla, S.A. de C.V.	1,016
Gonvauto South Carolina Llc.	(9)	Gonvauto South Carolina Llc.	12,455
Gonvauto Thüringen, GMBH	(126)	Gonvauto Thüringen, GMBH	24
Gonvama, Ltd.	(1,397)	Gonvauto, S.A.	21
Industrial Ferrodistribuidora, S.L.	(3)	Gonvama, Ltd.	51
Inmobiliaria Acek, S.L.	(21)	Arcelor group	226
Road Steel Engineering, S.L.	(26)	Industrial Ferrodistribuidora, S.L.	23
<b>Associates</b>			
Gestamp Auto Components Sales (Tianjin) Co., Ltd.	(283)	Inmobiliaria Acek, S.L.	778
Gestión Global de Matricería, S.L.	(11)	Láser Automotive Barcelona, S.L.	3,196
GGM Puebla, S.A. de C.V.	(849)	Otros	(3)
Global Laser Araba, S.L.	(66)	<b>Associates</b>	
Kunshan Gestool Tooling Manufacturing Co, Ltd	(787)	Etem Gestamp Aluminium Extrusions, S.A.	552
Etem Gestamp Aluminium Extrusions, S.A.	(6)	Gestión Global de Matricería, S.L.	1,244
Ingeniería y Construcción Matrices, S.A.	(436)	GGM Puebla, S.A. de C.V.	2,730
IxCxT, S.A.	(130)	Global Laser Araba, S.L.	9,077
<b>Total Services rendered</b>			
<b>(5,960)</b>			
<b>Associates</b>			
Gestión Global de Matricería, S.L.	(220)	Kunshan Gestool Tooling Manufacturing Co, Ltd	4,357
<b>Total Financial income (Note 28.a)</b>			
<b>(220)</b>			
<b>Related parties</b>			
Gonvarri Galicia, S.A.		Ingeniería y Construcción Matrices, S.A.	5,528
Gonvarri I. Centro Servicios, S.L.		IxCxT, S.A.	1,694
Gonvarri Ptos. Siderúrgicos, S.A.		<b>Total Services received</b>	
Gonvauto Navarra, S.A.		<b>Shareholders</b>	
Gonvauto Puebla, S.A. de C.V.		Acek, Desarrollo y Gestión Industrial, S.L.	1,535
Gonvauto, S.A.		JSC Karelsky Okatysh	469
Industrial Ferrodistribuidora, S.L.		Mitsui & Co., Ltd.	7,730
<b>Total Financial expenses (Note 28.b)</b>			
<b>10,777</b>			
<b>Shareholders</b>			
Beijing Hainachuan Automotive Parts Co., Ltd.		Tuyauto, S.A.	12
<b>Related parties</b>			
Gonvarri Czech, S.R.O.		<b>Related parties</b>	
Gonvauto Navarra, S.A.		Gonvarri Galicia, S.A.	360
Inmobiliaria Acek, S.L.		Gonvarri I. Centro Servicios, S.L.	293
<b>Associates</b>			
Gestión Global de Matricería, S.L.		Gonvarri Ptos. Siderúrgicos, S.A.	198
<b>Total Financial expenses IFRS 16 (Note 28.b)</b>			
<b>1,354</b>			

### 32.2 Board of Directors' remuneration

Gestamp Automoción, S.A. received 360 thousand euros in both 2020 and 2019, for all remuneration items as a member of the Board of Directors of certain Group subsidiaries.

The breakdown of the total remuneration received by the members of the Parent Company's Board of Directors was as follows in thousands of euros:

	Thousands of euros
Non-Executive Directors	2020 Year
Mr. Alberto Rodríguez Fraile	93.50
Mrs. Ana García Fau	80.75
Mr. Cesar Cernuda	68.00
Mr. Pedro Sainz de Baranda	80.75
Mr. Javier Rodríguez Pellitero	93.50
Mrs. Concepción Rivero Bermejo	68.00
Mr. Juan María Riberas Mera	80.75
Mr. Gonzalo Urquijo Fernández de Araoz	80.75
Mr. Tomofumi Osaki	50.81
Mr. Norimichi Hatayama	50.81
Mr. Shinichi Hori	20.00
Mr. Katsutoshi Yokoi	20.00
<b>TOTAL</b>	<b>787.62</b>

(From January 1, 2020 to December 31, 2020)

Executive Directors	
Mr. Francisco José Riberas Mera	578.65
Mr. Francisco López Peña	1,723.68
<b>TOTAL</b>	<b>2,302.33</b>

(From January 1, 2020 to December 31, 2020)

Mr Shinichi Hori and Mr Katsutoshi Yokoi ceased to serve as members of the Parent Company's Board of Directors as at 31 March 2020. In addition, Mr Norimichi Hatayama and Mr Tomofumi Osaki were appointed as members of the Parent Company's Board of Directors on 1 April 2020.

The total amount of the loans granted to the members of the Board of Directors of the Parent Company at 31 December 2020 and 31 December 2019 amount to 3,422 thousand euros and 3,322 thousand euros, respectively, including principal plus outstanding interest, and were granted in 2016 for the purchase of shares of the Parent Company from ACEK Desarrollo y Gestión Industrial, S.L. (see Note 12.a.2)).

In 2020, no pensions or life insurance benefits were granted to members of its Board for 152 thousand euros (258 thousand euros in 2019).

### 32.3 Senior Management's Remuneration

In 2020, the total remuneration accrued, for all items, in favour of the members of the Management Committee, Executive Directors excluded, amounted to 8,822.45 thousand euros (5,951,91 thousand euros in 2019) included in "Personnel expenses" in the Consolidated Income Statement. The amount

corresponding to 2020 and 2019 includes life insurance premiums amounting to 34 thousand euros and 25 thousand euros, respectively.

The total amount of the loans granted to the members of the Management Committee at 31 December 2020 and 31 December 2019, excluding those who are members of the Board of Directors, which are already included in Note 32.2, amount to 9,057 thousand euros and 6,410 thousand euros, respectively. This includes principal plus outstanding interest, and they were granted in 2016 for the purchase of shares of the Parent Company from ACEK Desarrollo y Gestión Industrial, S.L. (see Note 12.a.2)).

### **Note 33. Other disclosures**

#### **33.1 Auditors' fees**

The fees for the audit of the Consolidated and Individual Financial Statements of the companies included in the scope of consolidation for 2020 amounted to 3,920 thousand euros, while in 2019 they amounted to 4,384 thousand euros.

3,867 thousand euros of the foregoing fees were due to the auditors of the Parent Company for all the audit work performed at the Group in 2020, while the amount of such fees totalled 4,307 thousand euros in 2019.

The fees received in 2020 by the auditor of the Parent Company's accounts and by the companies that share its trade name, for other services related with the audit of the accounts, amounted to 71 thousand euros, while in 2019 they amounted to 758 thousand euros.

The fees received in 2020 by the auditor of the Parent Company's accounts and by the companies that share its trade name, for services other than the audit of the accounts, amounted to 905 thousand euros, while in 2019 they amounted to 1,069 thousand euros; the nature of these services is mainly collaboration in tax matters and due diligences in the purchase of companies.

#### **33.2 Environmental matters**

Total investments in systems, equipment and facilities relating to environmental protection and improvement had a gross value of 5,036 thousand euros at 2020 year-end, with accumulated depreciation of 3,408 thousand euros, while at 2019 year-end, such investments amounted to 5,096 thousand euros, with accumulated depreciation of 3,131 thousand euros.

Environmental protection and improvement expenses incurred in 2020 amounted to 1,091 thousand euros, while in 2019, they amounted to 1,114 thousand euros.

The accompanying Consolidated Balance Sheet does not include any provisions for environmental risks, since the Parent Company's directors consider that future obligations to be settled, arising from procedures of companies forming the Group to prevent, reduce or repair environmental damage, did not exist at year-end or that, if they existed, they would not be material. Likewise, no environmental grants were received at year-end.



## Note 34. Financial risk management

The Group uses the review of business plans, the study of the relationship between exposure and the present value of the cash flows arising from an investment, and the accounting vision that allows the assessment of the state and development of the different risk situations for financial risk management.

### 34.1 Financial risk factors

In compliance with prevailing legislation, below is a description of the main financial risks to which the Group is exposed:

- Market risk
  - Exchange rate risk
  - Interest rate risk
- Liquidity risk
- Credit risk
- Commodity price risk

#### Exchange rate risk

The exchange rate risk mainly arises from: (i) the Group's international diversification, which leads it to invest and obtain income, results and cash flows in currencies other than the euro, (ii) payables in currencies other than those of the countries in which the companies are located that have taken the debt and (iii) accounts receivable or payable in foreign currency from the standpoint of the company recognising the transaction.

The fluctuation in the exchange rate of the currency in which a given transaction is carried out against the accounting currency may have a negative or positive impact on profit or loss and equity.

The Group operates in the following currencies:

Euro	US dollar	Mexican peso
Argentine peso	Brazilian real	Pound sterling
Swedish crown	Polish zloty	Hungarian forint
Turkish lira	Indian rupee	Korean won
Chinese renminbi	Russian rouble	Czech crown
Japanese yen	Thai Baht	Romanian leu
Taiwanese dollar	Moroccan dirham	Bulgarian lev

To manage exchange rate risk, the Group uses (or evaluates the possibility of using) a series of financial instruments, basically (Note 23.b.1):

- A. Foreign currency forward contracts: These arrangements lock in the price at which an entity can buy or sell a currency on a set date; the timing can be adjusted to align the transactions with the hedged cash flows.
- B. Options: The objective is to seek to protect against the negative impact of any exchange rate exposure, or any price ranges, or to fix a maximum or minimum exchange rate (collar or tunnel) on the date of settlement, or structures with a minimum cost or even zero (by renouncing benefits in different scenarios in exchange for achieving protection in other scenarios).

In some of the sales contracts in some countries, prices are partially adjusted according to the exchange rate, with different formulas, which offers some protection against devaluations.

The Group maintains debt in foreign currencies to reduce the sensitivity of the Net Financial Debt/EBITDA ratio to exchange rate fluctuations, and to partially offset possible losses in the value of assets due to exchange rate fluctuations, with savings in the value of liabilities.

The sensitivity of results and of equity to the changes in the exchange rates of the currencies in which the Group operates with respect to the euro are detailed below.

The sensitivity of results to the changes in the exchange rates of currencies for 2020 and 2019 is as follows:

Currency	2020	
	IMPACT ON PROFIT	
	5% Fluctuation	-5% Fluctuation
Swedish crown	396	(396)
US dollar	(2,428)	2,428
Hungarian forint	(116)	116
GB pound	(740)	740
Mexican peso	631	(631)
Brazilian real	(469)	469
Chinese yuan	1,382	(1,382)
Indian rupee	(309)	309
Turkish lira	726	(726)
Argentine peso	(495)	495
Russian ruble	249	(249)
Korean won	116	(116)
Polish zloty	480	(480)
Czech crown	(270)	270
Japanese yen	(329)	329
Thai baht	9	(9)
Romanian leu	(2)	2
Moroccan dirham	(29)	29
Taiwanese dollar	(3)	3
Bulgarian Lev	(12)	12
<b>IMPACT IN ABSOLUTE TERMS</b>	<b>(1,213)</b>	<b>1,213</b>
PROFIT ATTRIBUTABLE TO EQUITY		
HOLDERS OF PARENT COMPANY	<b>(151,055)</b>	<b>(151,055)</b>
<b>EFFECT IN RELATIVE TERMS</b>	<b>0.80%</b>	<b>-0.80%</b>

2019		
Currency	IMPACT ON PROFIT	
	5% Fluctuation	-5% Fluctuation
Swedish crown	833	(833)
US dollar	(1,391)	1,391
Hungarian forint	4	(4)
GB pound	(917)	917
Mexican peso	503	(503)
Brazilian real	823	(823)
Chinese yuan	1,482	(1,482)
Indian rupee	80	(80)
Turkish lira	840	(840)
Argentine peso	(137)	137
Russian ruble	531	(531)
Korean won	193	(193)
Polish zloty	2,578	(2,578)
Czech crown	(560)	560
Japanese yen	(198)	198
Thai baht	27	(27)
Romanian leu	(8)	8
Moroccan dirham	(54)	54
Taiwanese dollar	3	(3)
Bulgarian Lev	193	(193)
<b>IMPACT IN ABSOLUTE TERMS</b>	<b>4,825</b>	<b>(4,825)</b>
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT COMPANY	<b>212,272</b>	<b>212,272</b>
<b>EFFECT IN RELATIVE TERMS</b>	<b>2.27%</b>	<b>-2.27%</b>

The sensitivity of equity to the changes in the exchange rates of currencies for 2020 and 2019 is as follows:

2020		
Currency	IMPACT ON EQUITY	
	5% Fluctuation	-5% fluctuation
Swedish crown	(8,381)	8,381
US dollar	(2,831)	2,831
Hungarian forint	(4,947)	4,947
GB pound	8,831	(8,831)
Mexican peso	1,355	(1,355)
Brazilian real	(179)	179
Chinese yuan	17,639	(17,639)
Indian rupee	2,847	(2,847)
Turkish lira	1,108	(1,108)
Argentine peso	(2,421)	2,421
Russian ruble	(5,040)	5,040
Korean won	3,258	(3,258)
Polish zloty	2,537	(2,537)
Czech crown	(1,144)	1,144
Japanese yen	(371)	371
Thai baht	81	(81)
Romanian leu	(113)	113
Moroccan dirham	(59)	59
Taiwanese dollar	14	(14)
Bulgarian Lev	384	(384)
<b>IMPACT IN ABSOLUTE TERMS</b>	<b>12,568</b>	<b>(12,568)</b>
<b>EQUITY</b>	<b>1,953,591</b>	<b>1,953,591</b>
<b>EFFECT IN RELATIVE TERMS</b>	<b>0.64%</b>	<b>-0.64%</b>

Currency	2019	
	IMPACT ON EQUITY	
	5% Fluctuation	-5% fluctuation
Swedish crown	(6,440)	6,440
US dollar	199	(199)
Hungarian forint	(4,848)	4,848
GB pound	10,305	(10,305)
Mexican peso	2,563	(2,563)
Brazilian real	1,968	(1,968)
Chinese yuan	15,971	(15,971)
Indian rupee	3,049	(3,049)
Turkish lira	1,432	(1,432)
Argentine peso	(1,801)	1,801
Russian ruble	(4,150)	4,150
Korean won	3,004	(3,004)
Polish zloty	3,157	(3,157)
Czech crown	(513)	513
Japanese yen	(156)	156
Thai baht	91	(91)
Romanian leu	3	(3)
Moroccan dirham	33	(33)
Taiwanese dollar	15	(15)
Bulgarian Lev	250	(250)
<b>IMPACT IN ABSOLUTE TERMS</b>	<b>24,132</b>	<b>(24,132)</b>
<b>EQUITY</b>	<b>2,392,117</b>	<b>2,392,117</b>
<b>EFFECT IN RELATIVE TERMS</b>	<b>1.01%</b>	<b>-1.01%</b>

The foregoing amounts were calculated by increasing or decreasing by 5% the exchange rates applied to convert to euros both the income statements of the subsidiaries and their equity.

Also, in 2020, Consolidated Equity was reduced further by 237.2 million euros, due to the change in translation differences, mainly as a result of investments outside the eurozone.

### Interest rate risk

The Group's borrowings mainly bear interest at floating rates, exposing it to risk from fluctuations in market interest rates, so that index fluctuations affect cash flows and how they are reflected in the Financial expenses. The Group mitigates this risk by using interest rate derivative financial instruments, mainly swaps, by which it converts the floating rate on a loan into a fixed rate. It may swap the rate on a portion of the loan or on the entire loan, and for its entire duration or a part thereof (Note 23.b.1).

The Group's borrowings accrue a floating rate indexed to the Euribor, Dollar Libor and other foreign exchange interbank indexes. Conversely, the bonds issued by the Group on May 2016 and April 2018 accrue a fixed interest rate.

The Group's financial debt accrues both a floating and a fixed rate as a consequence of seeking a balance in the financial expenses, adapting them to the economic cycle, the interest rate (short and long term) and their foreseeable development and the financing alternatives (especially the terms, costs and depreciation). It is also influenced by the changes in debt, which leads to using the facilities and performing repayments dynamically, based on the agreement facilities.

If in 2020, the average benchmark interest rate on financial debt denominated in euros had varied by 50 bps, maintaining the remaining variables constant, financial profit would have been modified by 14,352 thousand euros.

If in 2019, the average benchmark interest rate on financial debt denominated in euros had varied by 50 bps, maintaining the remaining variables constant, financial profit would have been modified by 11,852 thousand euros.

### Liquidity risk

Liquidity risk is evaluated as the risk that the Group will not be able to service its payment commitments as a result of adverse conditions in the debt and/or equity markets that prevent or hinder its capital raising efforts or cash liquidity needs exceeding those budgeted.

The Group manages liquidity risk looking for cash availability to cover its cash needs and debt maturity for a period of 12 months, thereby avoiding the need to raise funds on disadvantageous terms to cover short term needs. The available liquidity hold is integrated by cash equivalent and undrawn credit lines with a maturity beyond 12 months, according to the Consolidated Financial Position, without adjusting them proportionally by the shareholdings, or by resources in subsidiaries subject to administrative authorisation.

At 31 December 2020, cash and cash equivalents amounted to 2,304.6 million euros and unused long-term credit facilities amounted to 235 million euros (the Revolving Credit Facility was drawn down at 31 December 2020). Current financial debt repayments amount to 1,070.8 million euros. At 31 December 2020, the cash flows from operations exceeded the cash flows from investing activities (excluding intercompany purchases and sales) by 401 million euros.

Liquidity risk management in the next 12 months is complemented with the management of the debt maturity profile, seeking an appropriate average maturity and refinancing in advance the short term maturities, especially in the first two years. At 31 December 2020, the average life of the Group's net financial debt was 3.9 years (estimated considering the use of cash and long-term credit lines to repay shorter term debt).

In 2020, agreements were signed to amend the agreements that include obligations to comply with certain financial ratios in order to adapt certain clauses of these agreements to the situation arising from COVID-19. These adaptations include a liquidity ratio of at least 200 million euros up to and including 30 June 2021, which replaces the requirement to comply with the aforementioned financial ratios. The total amount of loans that have been novated in this regard amounts to 1,991 million euros.

In order to address the uncertainties in terms of liquidity needs, intensive financing activity was carried out, which was reflected in the total amount of cash flows from financing activities of 1,249.9 million euros (a substantial part due to the generation of new financing and renewal of existing credit lines), 1,289.6 million euros higher than the total amount of cash flows from financing activities as at 31 December 2019.

Working capital can be defined as the permanent financial resources that finance the company's current activities, that is, the portion of current assets financed with long-term funds. At 31 December 2020, working capital amounts to 924 million euros. This is the difference between the long-term financial debt (3,750 million euros) plus equity (1,954 million euros), less net fixed assets, excluding deferred tax assets (4,780 million euros). This amount exceeded the working capital related to the EBITDA, amounting to -41 million euros at 31 December 2020.

### Credit risk

Credit risk is concentrated primarily in the Group's accounts receivable, which have a high credit rating.

Each business unit manages its credit risk according to policies, procedures and controls determined by the Group regarding credit risk management of customers.

At each closing date, the Group companies analyse on the basis of real historical data the balances of each major client individually in order to determine the need for provisions or impairment.

The Group has no guarantee on debts and has concluded that the risk concentration is low given that its customers belong to distinct jurisdictions and operate in highly independent markets.

The credit risk with banks is managed by the treasury department of the Group according to Group policies.

Investments of excess funds are only made with authorised counterparties and always within the credit limits assigned to such counterparties.

The limits are established in order to minimize risk concentration, thereby mitigating financial losses in the event of a default by the counterparty.

The maximum exposure of the Group to credit risk at 31 December 2020 and 31 December 2019 are the carrying amounts, as shown in Note 15, except for financial guarantees and derivative financial instruments.

The net Credit Valuation Adjustment by counterparty (CVA + DVA) is the method used to value the credit risk of the counterparties and the Parent Company in calculating the fair value of derivative financial instruments. This adjustment reflects the possibility of bankruptcy or impairment of the credit quality of the counterparty and the Parent Company. The simplified formula corresponds to the expected exposure multiplied by the possibility of bankruptcy and by the expected loss in case of non-payment. For calculating such variables the Parent Company uses market references.

### Commodity Price Risk

Steel, followed by aluminium, is the main commodity used in the business.

At 31 December 2020, 62.4% of the steel had been purchased through "re-sale" programs with customers (62.2% in 2019), whereby the automobile manufacturer periodically negotiates with the steel maker the price of the steel that the Group uses for the production of automotive components. The selling price of the final product is directly adjusted to any fluctuations in steel prices.

In the case of products that use steel purchased outside the "re-sale" method, some of the customers adjust the prices of the Group products, taking as a base the fluctuations in steel prices that the customers agree with the iron and steel industry, others adjust the prices based on public indexes and with others negotiations are held upon the initiative of the parties. Historically, the Group has negotiated its steel purchase agreements with the iron and steel manufacturers to ensure suitable conditions.

## 34.2 Hedge accounting

For the purpose of hedge accounting, the Group classifies its hedges as:

- Fair value hedges when hedging the exposure to changes in the market value, due to a specific risk, of an asset or liability previously recognised in the Consolidated Balance Sheet, or of a firm commitment.
- Cash flow hedges when hedging exposure to fluctuations in cash flows that are either attributable to a particular risk associated with an asset or liability previously recognised in the Consolidated Balance Sheet, or to a highly probable forecast transaction.
- Hedges of a net investment in a foreign operation when hedging exposure to variability in exchange rates relative to a net investment in a foreign operation.

Such derivative financial instruments are initially recognised in the Consolidated Balance Sheet at acquisition cost and are subsequently valued in each period at fair value. Changes in fair value are normally accounted for in keeping with specific hedge accounting criteria.

The accounting for these instruments is carried out as follows:

- Fair value hedges: changes in the fair value of both the hedging instrument and the hedged item, in both instances attributable to the risk hedged, are recognised in the Consolidated Income Statement.
- Cash flow hedges: changes in the fair value of the hedging instrument attributable to the risk hedged, as long as the hedge is effective, are recognised in Retained earnings under Equity. The cumulative amount of Retained earnings are transferred to the Consolidated Income Statement when the hedged cash flows affect profit or loss.
- Hedges of a net investment in a foreign operation: its operating account is similar to the hedging of cash flows and the account used to include the changes in the value of the hedge instrument in the Consolidated Balance Sheet is the Translation differences account. The cumulative amount of the measurement in Translation differences is transferred to results, provided that the investment abroad that has generated such differences is disposed of.

## 34.3 Fair value of financial instruments

The fair value of financial instruments is determined as follows:

- The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market prices.
- Where there is no active market, fair value is determined using cash flow analysis discounted at market discount rates and based on market assumptions at the time of the estimate. In relation to options, fair value is determined using implied volatility in market participants' quoted prices.

### Non-current financial assets

There is no difference between the fair value and carrying amount of non-current loans granted since they all accrue interest at floating rates.

Equity investments in other companies are included in the Consolidated Balance Sheet at fair value when they can be valued reliably. Since it is usually not possible to measure the fair value of shareholdings in unlisted companies reliably, these investments are valued at acquisition cost or lower if there is evidence of impairment.

Changes in fair value, net of the related tax effect, are recognised with a charge or credit, as appropriate, to “Retained earnings” within Equity until these investments are sold, at which time the cumulative amount recognised in equity is recognised in full in the Consolidated Income Statement. If fair value is lower than acquisition cost, the difference is recognised directly in equity, unless the asset is determined to be impaired, in which case it is recognised in the Consolidated Income Statement.

### Trade receivables

For receivables due in less than one year, the Group considers the carrying amount a reasonable approximation of fair value.

### Current financial assets

There is no difference between the fair value and carrying amount of short term loans granted since they all accrue interest at market rates.

For other current financial assets, as their maturity is near the financial year end, the Group considers their carrying amounts a reasonable approximation of fair value.

### Interest-bearing loans and borrowings

For current and non-current bank borrowings there is no difference between fair value and carrying amount since all these borrowings carry interest at market rates.

### Trade and other payables

The Group considers the carrying amount of the items recorded in this Consolidated Balance Sheet heading to be an adequate approximation of fair value.

### Fair values of financial instruments

The fair values of current and non-current financial assets and liabilities do not differ significantly from their respective carrying amounts.

The Group uses the following sequence of three levels, based on the relevance of the variables used, to measure the fair value of its financial instruments:



- Level 1: Unadjusted quoted price for identical assets or liabilities in active markets.
- Level 2: Variables which are observably different from the prices quoted in Level 1, either directly (price), or indirectly (derived from the price).
- Level 3: Variables which are not based on observable market data (non-observable variables).

The classification of financial assets recognised in the Consolidated Balance Sheet at fair value, in line with the methodology for calculating such fair value, was as follows:

	Thousands of euros					
	Level 1		Level 2		Level 3	
	2020	2019	2020	2019	2020	2019
Financial assets measured at fair value						
Financial derivative hedging instruments (Note 12.a.3))			1,171	11,042		
<b>Total</b>	-	-	1,171	11,042	-	-

The classification of financial liabilities recognised in the Consolidated Financial Statements at fair value, in line with the methodology for calculating such fair value, was as follows:

	Thousands of euros					
	Level 1		Level 2		Level 3	
	2020	2019	2020	2019	2020	2019
Financial derivative hedging instruments			29,501	47,917		
Financial derivative instruments held-for-trading				18,221		
<b>Total Financial derivative instruments (Note 23.b.1))</b>			29,501	66,138		
Defined benefit plans (Note 22.b))	97,737	88,898				
<b>Total</b>	97,737	88,898	29,501	66,138	-	-

### 34.4 Capital risk management

The objective of the Group's capital management is to protect its ability to continue as a going concern, upholding the commitment to remain solvent and looking for a high shareholder value for shareholdings.

The Group monitors its capital structure based on its leverage ratio. It defines leverage as net financial debt (financial borrowings, finance lease payables, borrowing from related parties and other financial liabilities less short-term financial investments and cash and cash equivalents) divided by total equity (consolidated equity plus grants pending release to the income statement). At 31 December 2020, this ratio is 1.20 (1.13 at 31 December 2019).

The Net Financial Debt/EBITDA ratio (last 12 months) is mainly used to monitor solvency, which amounted to 3.7 at 31 December (2.5 at 31 December 2019).

Gestamp Automoción, S.A.'s rating is BB- outlook stable from Standard & Poor's and B1 outlook positive from Moody's, which makes it a speculative grade.

**Note 35. Information on payment deferrals to suppliers in trade operations**

The Group's Spanish companies have adapted their internal process and payment period policy to Law 15/2010, hence, measures to fight against default in trade operations have been implemented. In this regard, the conditions for contracting to commercial suppliers relating to industrial activity for the manufacture of parts located in Spanish territory included payment periods equal to or less than 60 days in both 2020 and 2019, as stipulated in Transitional Provision Two of the aforementioned law. In accordance with such Law, the following information corresponds to the Group companies that operate in Spain:

**2020**

Average payment period to suppliers	54 days
Total payments made	2,422 million euros
Total payments pending	636 million euros

**2019**

Average payment period to suppliers	45 days
Total payments made	4,546 million euros
Total payments pending	538 million euros

For reasons of efficiency and in line with common business uses, the Group's Spanish companies basically have a supplier payment schedule, whereby payments are made on fixed days which, at the main companies, are twice a month.

Generally in 2020 and 2019, the payments made by Spanish companies to suppliers, under agreements entered into following the entry into force of Law 15/2010, did not exceed the legal deferral limits. Payments to Spanish suppliers which, in 2020 and 2019, exceeded the legal term established have been, in quantitative terms, of scant importance and arise from circumstances or incidents removed from the payment policy established, including mainly the conclusion of the agreements with suppliers in the delivery of goods or the provision of the service or specific handling processes.

Also, at 31 December 2020 and 2019, no amounts were pending payment to suppliers located in Spain that exceed the legal payment term.

**Note 36. Subsequent events**

There were no significant events after the reporting period.

**Note 37. Information on compliance with article 229 of the Spanish Companies Law**

In conformity with articles 229 and 231 of the Spanish Companies Law (LSC), in order to reinforce the transparency of Spanish corporate enterprises, the Parent Company's Board members informed that they had not been involved in any direct or indirect conflicts with the interests of the Parent Company or its subsidiaries.

Also, Mr Francisco José Riberas Mera and Mr Juan María Riberas Mera, members of the Parent Company's Board of Directors, informed that they are shareholders and directors of ACEK,

DESARROLLO Y GESTIÓN INDUSTRIAL, S.L. and of the companies forming part of the Group of which it is the head.

ACEK, DESARROLLO Y GESTIÓN INDUSTRIAL, S.L. is the parent of an industrial group which carries on the following activities through the following subgroups:

- GESTAMP AUTOMOCIÓN GROUP: engaged in the manufacture and marketing of metallic parts and components for the automobile industry.
- GONVARRI GROUP: engaged in the manufacture, processing and trading of metallic products, including renewable energy structures, such as wind power towers, infrastructures for photovoltaic parks and thermo-solar plant items.
- ACEK ENERGÍAS RENOVABLES GROUP: engaged in the development, construction and operation of renewable energy generation plants, including solar power, wind power and biomass.
- INMOBILIARIA ACEK GROUP: engaged in real estate activities.
- AIR EXECUTIVE, S.L.: dedicated to aviation.

Also, ACEK, DESARROLLO Y GESTIÓN INDUSTRIAL, S.L. held investments in companies which might be considered to have an activity that is the same or similar, or one complementary, to the main activity of the Parent Company or of Group companies, which are as follows:

- Direct and indirect shareholding (through the subsidiary Risteel Corporation, B.V. and the associate Inversiones, Estrategia y Conocimiento Global, CYP, S.L.) of 17.80% of CIE Automotive, S.A., of which Mr Francisco José Riberas Mera and Mr Juan María Riberas Mera are directors. CIE Automotive, S.A. is the head of an industrial group which carries on, among other activities, the design, manufacture and marketing of components and sub-assemblies for the global automobile market.
- Direct holding of 50.00% in Sideacero, S.L., of which Mr Francisco José Riberas Mera and Mr Juan María Riberas Mera are directors. Sideacero, S.L. is the head of an industrial group which carries on, among other activities, the import, export, purchase and sale and brokerage of iron and non-iron products, iron and steel materials, recyclable materials and recyclable waste.

## Appendix I

### Scope of consolidation

December 31, 2020							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Gestamp Automoción, S.A.	Vizcaya	Spain	Parent company		Portfolio company	Full	Ernst & Young
Gestamp Bizkaia, S.A.	Vizcaya	Spain	85.31%		14.69% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Vigo, S.A.	Pontevedra	Spain	99.99%		0.01% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Cerveira, Lda.	Viana do Castelo	Portugal	42.25%		57.75% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toledo, S.A.	Toledo	Spain	99.99%		0.01% Tooling and parts manufacturing	Full	Ernst & Young
Autotech Engineering S.L	Vizcaya	Spain	10.00%		90.00% Research and development	Full	Ernst & Young
SCI de Tournan en Brie	Tournan	France	0.10%		99.90% Property	Full	N/A
Gestamp Solblank Barcelona, S.A.	Barcelona	Spain	5.01%		94.99% Tailor-welded blanks	Full	Ernst & Young
Gestamp Palencia, S.A.	Palencia	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Argentina, S.A.	Buenos Aires	Argentina			70.00% Portfolio company	Full	Ernst & Young
Gestamp Córdoba, S.A.	Córdoba	Argentina			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Linares, S.A.	Jaén	Spain	5.02%		94.98% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios, S.A.	Madrid	Spain	100.00%		Business promotion and support	Full	Ernst & Young
Matricerías Deusto, S.L	Vizcaya	Spain			100.00% Manufacturing of dies	Full	Ernst & Young
Gestamp Tech, S.L	Palencia	Spain	0.33%		99.67% No activity	Full	N/A
Gestamp Brasil Indústria de Autopeças, S.A.	Parana	Brazil			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Metalbages, S.A.	Barcelona	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Esmar, S.A.	Barcelona	Spain	0.10%		99.90% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Noury, S.A.S	Tournan	France			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Aveiro, S.A.	Aveiro	Portugal			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Griwe Subgroup	Westerburg	Germany			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Aguascalientes, S.A.de C.V.	Aguas Calientes	Mexico			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Mexicana Servicios Laborales, S.A.de C.V.	Aguas Calientes	Mexico			70.00% Employment services	Full	Ernst & Young
Gestamp Puebla, S.A. de C.V.	Puebla	Mexico			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Cartera de México, S.A. de C.V.	Puebla	Mexico			70.00% Portfolio company	Full	N/A
Gestamp Mexicana de Serv. Laborales, S.A. de C.V.	Aguas Calientes	Mexico			70.00% Employment services	Full	Ernst & Young
Gestamp Ingeniería Europa Sur, S.L	Barcelona	Spain			100.00% Service provision	Full	Ernst & Young

December 31, 2020

Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Todlem, S.L.	Barcelona	Spain		58.13%	Portfolio company	Full	Ernst & Young
Gestamp Navarra, S.A.	Navarra	Spain	71.37%	28.63%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Baires, S.A.	Buenos Aires	Argentina		70.00%	Dies, stamping and parts manufacturing	Full	Ernst & Young
Ingeniería Global IMB, S.A.	Barcelona	Spain		100.00%	Administration services	Full	N/A
Gestamp Aragón, S.A.	Zaragoza	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Abrera, S.A.	Barcelona	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Levante, S.A.	Valencia	Spain	88.50%	11.50%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Solblank Navarra, S.L.	Navarra	Spain		100.00%	Tooling and welding	Full	N/A
MB Aragón P21, S.L.	Barcelona	Spain		100.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Polska, SP. Z.O.O.	Wielkopolska	Poland		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Washington UK Limited	Newcastle	United Kingdom		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Hungaria KFT	Akai	Hungary	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp North America, INC	Michigan	USA		70.00%	Administration services	Full	Ernst & Young
Gestamp Sweden, AB	Lulea	Sweden	93.15%	6.85%	Portfolio company	Full	Ernst & Young
Gestamp HardTech, AB	Lulea	Sweden		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Mason, LLC.	Michigan	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Alabama, LLC.	Alabama	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Ronchamp, S.A.S	Ronchamp	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Manufacturing Autochasis, S.L.	Barcelona	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Industrias Tamer, S.A.	Barcelona	Spain		43.00%	Tooling and parts manufacturing	Equity method	Ernst & Young
Gestamp Tooling Services, AIE	Vizcaya	Spain		100.00%	Mould engineering and design	Full	Ernst & Young
Gestamp Auto Components (Kunshan) Co., Ltd	Kunshan	China		68.95%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Kartek Co, Ltd.	Gyeongsangnam-Do	South Korea		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beygelik Gestamp Kalip, A.S.	Bursa	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toluca SA de CV	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios Laborales de Toluca SA de CV	Puebla	Mexico		69.93%	Employment services	Full	Ernst & Young
Gestamp Services India Private, Ltd.	Mumbai	India		100.00%	Tooling and parts manufacturing	Full	S.B. Dave & Co.

December 31, 2020

Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Gestamp Severstal Vsevolzhsk UJ	Saint Petersburg	Russia		58.13%	Tooling and parts manufacturing	Full	Ernst & Young
Adral, matriceria y pta. a punto, S.L.	Vizcaya	Spain		100.00%	Mould manufacturing and tuning	Full	Ernst & Young
Gestamp Severstal Kaluga, LLC	Kaluga	Russia		58.13%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Automotive India Private Ltd.	Pune	India		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Pune Automotive, Private Ltd.	Pune	India		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Chattanooga, UJ	Chattanooga	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Holding Rusia, S.L.	Madrid	Spain	25.19%		52.34% Portfolio company	Full	Ernst & Young
Gestamp South Carolina, UJ	South Carolina	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Holding China, AB	Lulea	Sweden		68.95%	Portfolio company	Full	Ernst & Young
Gestamp Global Tooling, S.L.	Vizcaya	Spain	99.99%		0.01% Manufacturing of dies	Full	Ernst & Young
Gestamp Tool Hardening, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	Full	Ernst & Young
Gestamp Vendas Novas Lda.	Évora	Portugal	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Togliatti, UJ.	Togliatti	Russia		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Automotive Chennai Private Ltd.	Chennai	India		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Palau, S.A.	Barcelona	Spain		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp North Europe Services, S.L.	Vizcaya	Spain	99.97%		0.03% Consultancy services	Full	Ernst & Young
Loire Sociedad Anónima Franco Española	Guipúzcoa	Spain	100.00%		Manufacturing of dies	Full	Ernst & Young
Gestamp Tooling Erandio, S.L.	Guipúzcoa	Spain		100.00%	Portfolio company	Full	Ernst & Young
Diele Die Developments, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	Full	IZE Auditores
Gestamp Louny, S.R.O.	Prague	Czech Republic		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Auto Components (Shenyang), Co. Ltd.	Shenyang	China		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp West Virginia, LLC	Michigan	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beýcelik Gestamp Sasi, LS.	Kocaeli	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Auto Components (Dongguan), Co. Ltd.	Dongguan	China		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Try Out Services, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	Full	Ernst & Young
Gestión Global de Matriceria, S.L.	Vizcaya	Spain	30.00%		No activity	Equity method	Ernst & Young
Ingeniería y Construcción Matrices, S.A.	Vizcaya	Spain		30.00%	Manufacturing of dies	Equity method (A)	IZE Auditores

(A) This company is consolidated under full consolidation method in Gestión Global de Matriceria Subgroup. This Subgroup is accounted for in Gestamp Automoción Group using the equity method.

December 31, 2020

Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
IXCXT, S.A.	Vizcaya	Spain		30.00%	Manufacturing of dies	Equity method (A)	IZE Auditores
Gestamp Funding Luxembourg, S.A.	Luxembourg	Luxembourg	100.00%		Portfolio company	Full	Ernst & Young
Gestamp Puebla II, S.A. de C.V.	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Autotech Engineering Deutschland GmbH	Bielefeld	Germany		100.00%	Research and development	Full	Ernst & Young
Autotech Engineering R&D UK Limited	Durham	United Kingdom		100.00%	Research and development	Full	Ernst & Young
Gestamp Holding México, S.L.	Madrid	Spain		69.99%	Portfolio company	Full	Ernst & Young
Gestamp Holding Argentina, S.L.	Madrid	Spain	10.80%		Portfolio company	Full	Ernst & Young
Mursolar 21, S.L.	Madrid	Spain		65.00%	Portfolio company	Full	Ernst & Young
GGM Puebla, S.A. de C.V.	Puebla	Mexico		30.00%	Tooling and parts manufacturing	Equity method (A)	N/A
GGM Puebla de Servicios Laborales, S.A. de C.V.	Puebla	Mexico		30.00%	Employment services	Equity method (A)	N/A
Kunshan Gestool Tooling Manufacturing, Co., Ltd	Kunshan	China		30.00%	Manufacturing of dies	Equity method (A)	Ernst & Young
Gestamp Technology Institute, S.L.	Vizcaya	Spain	99.99%		0.01% Education	Full	Ernst & Young
Gestamp Tooling Engineering Deutschland GmbH	Braunschweig	Germany		100.00%	Manufacturing of dies	Full	N/A
Gestamp Chattanooga II, Llc	Chattanooga	USA		70.00%	Tooling and parts manufacturing	Full	N/A
Autotech Engineering R&D USA	Delaware	USA		100.00%	IT, and research and development	Full	N/A
Gestamp Auto Components Wuhan, co. Ltd.	Wuhan	China	100.00%		Tooling and parts manufacturing	Full	N/A
Çelik Form Gestamp Otomotive, A.S.	Bursa	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Washnaw, Llc.	Delaware	USA		70.00%	Tooling and parts manufacturing	Full	N/A
Gestamp San Luis Potosí, S.A.P.I. de C.V.	Mexico City	Mexico		70.00%	Employment services	Full	N/A
Gestamp San Luis Potosí Servicios Laborales S.A.P.I. de C.V.	Mexico City	Mexico		70.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Auto Components (Tianjin) Co., LTD.	Tianjin	China		51.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp 2017, S.L.	Madrid	Spain	100.00%		Portfolio company	Full	N/A
Autotech Engineering (Shanghai) Co. Ltd.	Shanghai	China		100.00%	Research and development	Full	Ernst & Young
Gestamp Hot Stamping Japan K.K.	Tokio	Japan		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Global Laser Arava, S.L.	Alava	Spain	30.00%		Tooling and parts manufacturing	Equity method	Ernst & Young
Gestamp Beycelik Romania, S.R.L.	Darmantesti	Romania		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beycelik Gestamp Teknoloji Kalip, A.S.	Bursa	Turkey		50.00%	Manufacturing of dies	Full	Ernst & Young
Gestamp Nitra, S.R.O.	Bratislava	Slovakia	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Almussafes Mantenimiento de Troqueles, S.L.	Barcelona	Spain		100.00%	Die maintenance	Full	Ernst & Young
Gestamp (China) Holding, Co. Ltd	Shanghai	China		100.00%	Portfolio company	Full	Ernst & Young
Gestamp Autotech Japan Co., Ltd.	Tokio	Japan		100.00%	Research and development	Full	Ernst & Young
Gestamp Sorocaba Indústria Autopeças Ltda.	Sorocaba	Brazil		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Tuyauto Gestamp Morocco	Kenitra	Morocco		51.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Auto Components (Beijing) Co., Ltd.	Beijing	China		70.00%	Employment services	Full	Ernst & Young
Gestamp Mexicana Serv. Lab. II, S.A. de CV	México DF	Mexico	0.01%		Industrial equipment services	Full	N/A
Reparaciones Industriales Zaidibar, S.L.	Vizcaya	Spain		99.99%	Industrial equipment services	Full	N/A
Autotech Engineering Spain, S.L.	Madrid	Spain		100.00%	Research and development	Full	Ernst & Young
Autotech Engineering France S.A.S.	Meudon la Forêt	France		100.00%	Research and development	Full	N/A
Gestamp Auto Components Sales (Tianjin) Co., LTD.	Tianjin	China		51.00%	Consulting and Post-sales services	Equity method	N/A
Gestamp Etem Automotive Bulgaria, S.A.	Sofia	Bulgaria		51.00%	Industrialization of post-extrusion activities	Full	N/A
Etem Gestamp Aluminium Extrusions, S.A.	Sofia	Bulgaria		49.00%	Tooling and parts manufacturing	Equity method	N/A

(A) This company is consolidated under full consolidation method in Gestión Global de Matricería Subgroup. This Subgroup is accounted for in Gestamp Automoción Group using the equity method.

December 31, 2020

Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Edscha Holding GmbH	Remscheid	Germany	100.00%		Portfolio company	Full	Ernst & Young
Edscha Automotive Hengersberg GmbH	Hengersberg	Germany	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Hauenberg GmbH	Hauenberg	Germany	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering GmbH	Remscheid	Germany	100.00%		Research and development	Full	Ernst & Young
Edscha Hengersberg Real Estate GmbH	Hengersberg	Germany	5.10%		94.90% Property	Full	N/A
Edscha Hauenberg Real Estate GmbH	Hauenberg	Germany	5.10%		94.90% Property	Full	N/A
Edscha Automotive Kamenice S.R.O.	Kamenice	Czech Republic			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Edscha Hradec S.R.O.	Hradec	Czech Republic			100.00% Manufacturing of dies	Full	Ernst & Young
Edscha Velky Meder S.R.O.	Velky Meder	Slovakia			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp 2008, S.L.	Villalonquejar (Burgos)	Spain			100.00% Portfolio company	Full	Ernst & Young
Edscha Burgos, S.A.	Villalonquejar (Burgos)	Spain			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Edscha Santander, S.L.	El Astillero (Cantabria)	Spain			94.99% Tooling and parts manufacturing	Full	Ernst & Young
Edscha Briey S.A.S.	Briey Cedex	France	5.01%		100.00% Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering France S.A.S.	Les Ulis	France			100.00% Research and development	Full	Ernst & Young
Edscha do Brasil Ltda.	Sorocaba	Brazil			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Edscha Japan Co., Ltd.	Tokio	Japan			100.00% Sales office	Full	N/A
Jui Li Edscha Body Systems Co., Ltd.	Kaohsiung	Taiwan			60.00% Tooling and parts manufacturing	Full	Ernst & Young
Jui Li Edscha Holding Co., Ltd.	Apia	Samoa			60.00% Portfolio company	Full	N/A
Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	Hainan	China			60.00% Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Technology Co., Ltd.	Shanghai	China			100.00% Research and development	Full	Shanghai Ruitong Cpa
Shanghai Edscha Machinery Co., Ltd.	Shanghai	China			55.00% Tooling and parts manufacturing	Full	Ernst & Young
Anhui Edscha Automotive Parts Co. Ltda.	Anhui	China			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Michigan, Inc	Lapeer	USA			100.00% Tooling and parts manufacturing	Full	N/A
Edscha Togliatti, U.C.	Togliatti	Russia			100.00% No activity	Full	N/A
Edscha Automotive Components Co., Ltda.	Kunshan	China			100.00% Tooling and parts manufacturing	Full	N/A
Gestamp Finance Slovakia S.R.O.	Velky Meder	Slovakia			100.00% Tooling and parts manufacturing	Full	N/A
Edscha Kunststofftechnik GmbH	Remscheid	Germany			100.00% Parts manufacture research and development	Full	Ernst & Young
Edscha Pha, Ltd.	Seul	South Korea	100.00%		Portfolio company	Full	Ernst & Young
Edscha Aspico Automotive Co. Ltd	Pranakorn Sri Ayutthaya	Thailand			100.00% Tooling and parts manufacturing	Full	National Audit Corporation
Edscha Automotive SIP, S.A.P.I. de C.V.	Mexico City	Mexico			50.00% Parts manufacture research and development	Full	Ernst & Young
Edscha Automotive SIP Servicios Laborales, S.A.P.I. de C.V.	Mexico City	Mexico			51.00% Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Components (Chongqing) Co. Ltd.	Chongqing	China			100.00% No activity	Full	N/A
Edscha Pha Automotive Components (Kunshan) Co., Ltd.	Kunshan	China			100.00% Tooling and parts manufacturing	Full	N/A
Edscha North America Technologies, U.C.	Delaware	USA			50.00% Parts manufacture	Full	Deloitte
Edscha Automotive Components (Shanghai) Co., Ltd	Shanghai	China			100.00% Holding/Divisional company	Full	Ernst & Young
GMF Holding GmbH	Remscheid	Germany			55.00% Tooling and parts manufacturing	Full	N/A
Gestamp Metal Forming (Wuhan), Ltd	Wuhan	China			100.00% Portfolio company	Full	Ernst & Young
Gestamp Umformtechnik GmbH	Ludwigsfelde	Germany			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Automotive Chassis Products Plc.	Newton Aycliffe, Durham	United Kingdom			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Sofedit, S.A.S	Le Thell sur Huisne	France			100.00% Portfolio company	Full	Ernst & Young
Gestamp Prisma, S.A.S	Usine de Messempré	France			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Talent, Ltd	Newton Aycliffe, Durham	United Kingdom			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Wroclaw Sp.z.o.o.	Wroclaw	Poland			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Auto components (Chongqing) Co., Ltd.	Chongqing	China			100.00% Tooling and parts manufacturing	Full	Ernst & Young



December 31, 2019

Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Gestamp Automoción, S.A.	Vizcaya	Spain	Parent company		Portfolio company	Full	Ernst & Young
Gestamp Bizkaia, S.A.	Vizcaya	Spain	85.31%		14.65% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Vigo, S.A.	Pontevedra	Spain	99.99%		0.01% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Cerveira, Lda.	Viana do Castelo	Portugal	42.25%		57.75% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toledo, S.A.	Toledo	Spain	99.99%		0.01% Tooling and parts manufacturing	Full	Ernst & Young
Autotech Engineering S.L.	Vizcaya	Spain	10.00%		90.00% Research and development	Full	Ernst & Young
SCI de Tournan en Briè	Tournan	France	0.10%		99.90% Property	Full	N/A
Gestamp Solblank Barcelona, S.A.	Barcelona	Spain	5.01%		94.99% Tailor-welded blanks	Full	Ernst & Young
Gestamp Palencia, S.A.	Palencia	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Argentina, S.A.	Buenos Aires	Argentina			70.00% Portfolio company	Full	Ernst & Young
Gestamp Córdoba, S.A.	Córdoba	Argentina			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Unares, S.A.	Jaén	Spain	5.02%		94.98% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios, S.A.	Madrid	Spain	100.00%		Business promotion and support	Full	Ernst & Young
Matricerías Deusto, S.L.	Vizcaya	Spain			100.00% Manufacturing of dies	Full	Ernst & Young
Gestamp Tech, S.L.	Palencia	Spain	0.33%		99.67% No activity	Full	N/A
Gestamp Brasil Indústria de Autopeças, S.A.	Parana	Brazil			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Metalbages, S.A.	Barcelona	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Esmar, S.A.	Barcelona	Spain	0.10%		99.90% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Noury, S.A.S	Tournan	France			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Aveiro, S.A.	Aveiro	Portugal			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Griwe Subgroup	Westerburg	Germany			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Aguascalientes, S.A.de C.V.	Aguas Calientes	Mexico			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Mexicana Servicios Laborales, S.A.de C.V.	Aguas Calientes	Mexico			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Puebla, S.A. de C.V.	Puebla	Mexico			70.00% Employment services	Full	Ernst & Young
Gestamp Cartera de México, S.A. de C.V.	Puebla	Mexico			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Mexicana de Serv. Laborales, S.A. de C.V.	Aguas Calientes	Mexico			70.00% Portfolio company	Full	N/A
Gestamp Ingeniería Europa Sur, S.L.	Barcelona	Spain			70.00% Employment services	Full	Ernst & Young
					100.00% Service provision	Full	Ernst & Young

December 31, 2019

Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Todtem, S.L.	Barcelona	Spain		58.13%	Portfolio company	Full	Ernst & Young
Gestamp Navarra, S.A.	Navarra	Spain	71.37%		28.63% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Baires, S.A.	Buenos Aires	Argentina			70.00% Dies, stamping and parts manufacturing	Full	Ernst & Young
Ingeniería Global MB, S.A.	Barcelona	Spain		100.00%	Administration services	Full	N/A
Gestamp Aragón, S.A.	Zaragoza	Spain	5.01%		94.99% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Abrera, S.A.	Barcelona	Spain	5.01%		94.99% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Levante, S.A.	Valencia	Spain	88.50%		11.50% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Solblank Navarra, S.L.	Navarra	Spain			100.00% Tooling and welding	Full	N/A
MB Aragón P21, S.L.	Barcelona	Spain			100.00% Tooling and parts manufacturing	Full	N/A
Gestamp Polska, SP. Z.O.O.	Wielkopolska	Poland			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Washington UK Limited	Newcastle	United Kingdom			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Hungaria KFT	Akai	Hungary	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp North America, INC	Michigan	USA			70.00% Administration services	Full	Ernst & Young
Gestamp Sweden, AB	Lulea	Sweden	30.03%		69.97% Portfolio company	Full	Ernst & Young
Gestamp HardTech, AB	Lulea	Sweden			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Mason, LLC.	Michigan	USA			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Alabama, LLC.	Alabama	USA			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Ronchamp, S.A.S	Ronchamp	France			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Manufacturing Autochasis, S.L.	Barcelona	Spain	5.01%		94.99% Tooling and parts manufacturing	Full	Ernst & Young
Industrias Tamer, S.A.	Barcelona	Spain			30.00% Tooling and parts manufacturing	Equity method	Ernst & Young
Gestamp Tooling Services, AIE	Vizcaya	Spain			100.00% Mould engineering and design	Full	Ernst & Young
Gestamp Auto Components (Kunshan) Co., Ltd	Kunshan	China			68.95% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Kartek Co, Ltd.	Gyeongsangnam-Do	South Korea			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Beyselik Gestamp Kalip, A.S.	Bursa	Turkey			50.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toluca SA de CV	Puebla	Mexico			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios Laborales de Toluca SA de CV	Puebla	Mexico			69.93% Employment services	Full	Ernst & Young
Gestamp Services India Private, Ltd.	Mumbai	India			100.00% Tooling and parts manufacturing	Full	S.B. Dave & Co.

December 31, 2019

Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Gestamp Severstal Vsevolozhsk LLC	Saint Petersburg	Russia		58.13%	Tooling and parts manufacturing	Full	Ernst & Young
Adral, matriceria y pta. a punto, S.L	Vizcaya	Spain		100.00%	Mould manufacturing and tuning	Full	Ernst & Young
Gestamp Severstal Kaluga, LLC	Kaluga	Russia		58.13%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Automotive India Private Ltd.	Pune	India		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Pune Automotive, Private Ltd.	Pune	India		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Chattanooga, LLC	Chattanooga	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Holding Rusia, S.L	Madrid	Spain	25.19%	52.34%	Portfolio company	Full	Ernst & Young
Gestamp South Carolina, LLC	South Carolina	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Holding China, AB	Lulea	Sweden		68.95%	Portfolio company	Full	Ernst & Young
Gestamp Global Tooling, S.L	Vizcaya	Spain	99.99%	0.01%	Manufacturing of dies	Full	Ernst & Young
Gestamp Tool Hardening, S.L	Vizcaya	Spain		100.00%	Manufacturing of dies	Full	Ernst & Young
Gestamp Vendas Novas Lda.	Évora	Portugal	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Togliatti, LLC.	Togliatti	Russia		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Automotive Chennai Private Ltd.	Chennai	India		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Palau, S.A.	Barcelona	Spain		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp North Europe Services, S.L	Vizcaya	Spain	99.97%	0.03%	Consultancy services	Full	Ernst & Young
Loire Sociedad Anónima Franco Española	Guiúzcoa	Spain	100.00%		Manufacturing of dies	Full	Ernst & Young
Gestamp Tooling Erandio, S.L	Guiúzcoa	Spain		100.00%	Portfolio company	Full	Ernst & Young
Diede Die Developments, S.L	Vizcaya	Spain	100.00%		Manufacturing of dies	Full	IZE Auditores
Gestamp Louny, S.R.O.	Prague	Czech Republic		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Autocomponents (Shenyang), Co. Ltd.	Shenyang	China		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp West Virginia, LLC.	Michigan	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beygelik Gestamp Sasi, LS.	Kocaeli	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Autocomponents (Dongguan), Co. Ltd.	Dongguan	China		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Try Out Services, S.L	Vizcaya	Spain		100.00%	Manufacturing of dies	Full	Ernst & Young
Gestión Global de Matriceria, S.L	Vizcaya	Spain	30.00%		No activity	Equity method	Ernst & Young
Ingeniería y Construcción Matrices, S.A.	Vizcaya	Spain		30.00%	Manufacturing of dies	Equity method (A)	IZE Auditores

(A) This company is consolidated under full consolidation method in Gestión Global de Matriceria Subgroup. This Subgroup is accounted for in Gestamp Automoción Group using the equity method.

December 31, 2019						
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Auditors
IXCT, S.A.	Vizcaya	Spain		30.00%	Manufacturing of dies	IZE Auditores
Gestamp Funding Luxembourg, S.A.	Luxembourg	Luxembourg	100.00%		Portfolio company	Ernst & Young
Gestamp Puebla II, S.A. de C.V.	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Ernst & Young
Autotech Engineering Deutschland GmbH	Bielefeld	Germany		100.00%	Research and development	Ernst & Young
Autotech Engineering R&D UK limited	Durham	United Kingdom		100.00%	Research and development	Ernst & Young
Gestamp Mexico S.L.	Madrid	Spain		69.99%	Portfolio company	Ernst & Young
Gestamp Holding Argentina, S.L.	Madrid	Spain	10.80%	59.19%	Portfolio company	Ernst & Young
Mursolar 21, S.L.	Madrid	Spain		65.00%	Portfolio company	Ernst & Young
GGM Puebla, S.A. de C.V.	Puebla	Mexico		30.00%	Tooling and parts manufacturing	N/A
GGM Puebla de Servicios Laborales, S.A. de C.V.	Puebla	Mexico		30.00%	Employment services	N/A
Kunshan Gestool Tooling Manufacturing, Co., Ltd	Kunshan	China		30.00%	Manufacturing of dies	Ernst & Young
Gestamp Technology Institute, S.L.	Vizcaya	Spain	99.99%	0.01%	Education	Ernst & Young
Gestamp Tooling Engineering Deutschland, GmbH	Braunschweig	Germany		100.00%	Manufacturing of dies	N/A
Gestamp Chattanooga II, Llc	Chattanooga	USA		70.00%	Tooling and parts manufacturing	N/A
Autotech Engineering R&D USA	Delaware	USA		100.00%	IT, and research and development	N/A
Gestamp Auto-components Wuhan, co. Ltd.	Wuhan	China	100.00%		Tooling and parts manufacturing	N/A
Çelik Form Gestamp Otomotive, A.S.	Bursa	Turkey		50.00%	Tooling and parts manufacturing	Ernst & Young
Gestamp Washenaw, LLC.	Delaware	USA		70.00%	Tooling and parts manufacturing	N/A
Gestamp San Luis Potosi, S.A.P.I. de C.V.	Mexico City	Mexico		70.00%	Employment services	N/A
Gestamp San Luis Potosi Servicios Laborales S.A.P.I. de C.V.	Mexico City	Mexico		70.00%	Tooling and parts manufacturing	N/A
Gestamp Auto Components (Tianjin) Co., LTD.	Tianjin	China	100.00%		Portfolio company	Ernst & Young
Autotech Engineering (Shanghai) Co. Ltd.	Shanghai	China		100.00%	Research and development	N/A
Gestamp Hot Stamping Japan K.K.	Tokio	Japan		100.00%	Tooling and parts manufacturing	Ernst & Young
Global Laser Araba, S.L.	Álava	Spain	30.00%		Tooling and parts manufacturing	Ernst & Young
MPO Prodívler's Rezistent, S.R.L.	Darmanesti	Romania		35.00%	Tooling and parts manufacturing	Ernst & Young
Beyçelik Gestamp Teknoloji kailip, A.S.	Bursa	Turkey		50.00%	Manufacturing of dies	Ernst & Young
Gestamp Nitra, S.R.O.	Bratislava	Slovakia	100.00%		Tooling and parts manufacturing	Ernst & Young
Almussafes Mantenimiento de Troqueles, S.L.	Barcelona	Spain		100.00%	Die maintenance	Ernst & Young
Gestamp (China) Holding, Co. Ltd	Shanghai	China		100.00%	Portfolio company	Ernst & Young
Gestamp Autotech Japan Co., Ltd.	Tokio	Japan		100.00%	Research and development	Ernst & Young
Gestamp Sorocaba Industria Autopegas Ltda.	Sorocaba	Brazil		70.00%	Tooling and parts manufacturing	Ernst & Young
Tuyauto Gestamp Morocco	Kenitra	Morocco		50.00%	Tooling and parts manufacturing	Ernst & Young
Gestamp Auto-components (Beijing) Co., Ltd.	Beijin	China		100.00%	Tooling and parts manufacturing	N/A
Gestamp Mexicana Serv. Lab. II, S.A. de CV	México DF	Mexico	0.01%		Employment services	N/A
Reparaciones Industriales Za idibar, S.L.	Vizcaya	Spain		99.99%	Industrial equipment services	N/A
Autotech Engineering Spain, S.L.	Madrid	Spain		100.00%	Research and development	Ernst & Young
Autotech Engineering France S.A.S.	Médomoni la Forêt	France		100.00%	Research and development	N/A
Gestamp Auto Components Sales (Tianjin) Co., LTD.	Tianjin	China		49.00%	Consulting and Post-sales services	N/A
Gestamp Etem Automotive Bulgaria, S.A.	Sofia	Bulgaria		51.00%	Industrialization of post-extrusion activities	N/A
Etem Gestamp Aluminium Extrusions, S.A.	Sofia	Bulgaria		49.00%	Aluminium extruded profile manufacturing	N/A

(A) This company is consolidated under full consolidation method in Gestión Global de Matricería Subgroup. This Subgroup is accounted for in Gestamp Automoción Group using the equity method.

December 31, 2019

Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Edscha Holding GmbH	Remscheid	Germany		100.00%	Portfolio company	Full	Ernst & Young
Edscha Automotive Hengbersberg GmbH	Hengbersberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Hauzenberg GmbH	Hauzenberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering GmbH	Remscheid	Germany		100.00%	Research and development	Full	Ernst & Young
Edscha Hengbersberg Real Estate GmbH	Hengbersberg	Germany	5.10%	94.90%	Property	Full	N/A
Edscha Hauzenberg Real Estate GmbH	Hauzenberg	Germany	5.10%	94.90%	Property	Full	N/A
Edscha Automotive Kamenice S.R.O.	Kamenice	Czech Republic		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Hradec S.R.O.	Hradec	Czech Republic		100.00%	Manufacturing of dies	Full	Ernst & Young
Edscha Velky Meder S.R.O.	Velky Meder	Slovakia		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp 2008, S.L.	Villalonguéjar (Burgos)	Spain		100.00%	Portfolio company	Full	Ernst & Young
Edscha Burgos, S.A.	Villalonguéjar (Burgos)	Spain		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Santander, S.L.	El Astillero (Cantabria)	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Briey S.A.S.	Briey Cedex	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering France S.A.S.	Les Ulis	France		100.00%	Research and development	Full	Ernst & Young
Edscha do Brasil Ltda.	Sorocaba	Brazil		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Edscha Japan Co., Ltd.	Tokio	Japan		100.00%	Sales office	Full	N/A
Jui Li Edscha Body Systems Co., Ltd.	Kaohsiung	Taiwan		60.00%	Tooling and parts manufacturing	Full	Ernst & Young
Jui Li Edscha Holding Co., Ltd.	Apia	Samoa		60.00%	Portfolio company	Full	N/A
Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	Hainan	China		60.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Technology Co., Ltd.	Shanghai	China		100.00%	Research and development	Full	Shanghai Ruitong Cpa
Shanghai Edscha Machinery Co., Ltd.	Shanghai	China		55.00%	Tooling and parts manufacturing	Full	Ernst & Young
Anhui Edscha Automotive Parts Co. Ltda.	Anhui	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Michigan, Inc	Lapeer	USA		100.00%	Tooling and parts manufacturing	Full	N/A
Edscha Togliatti, U.C.	Togliatti	Russia		100.00%	Tooling and parts manufacturing	Full	National Audit Corporation
Edscha Automotive Components Co., Ltda.	Kunshan	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Finance Slovakia S.R.O.	Velky Meder	Slovakia	25.00%	75.00%	Portfolio company	Full	Ernst & Young
Edscha Kunststofftechnik GmbH	Remscheid	Germany		100.00%	Tooling and parts manufacturing	Full	JKG-Treuhand
Edscha Pha, Ltd.	Seul	South Korea		50.00%	Parts manufacture research and development	Full	Ernst & Young
Edscha Apico Automotive Co. Ltd	Pranakorn Sri Ayutthaya	Thailand		51.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive SLP, S.A.P.I. de C.V.	Mexico City	Mexico		100.00%	No activity	Full	N/A
Edscha Automotive SLP Servicios La borales, S.A.P.I. de C.V.	Mexico City	Mexico		100.00%	No activity	Full	N/A
Edscha Automotive Components (Chongqing) Co. Ltd.	Chongqing	China		100.00%	Tooling and parts manufacturing	Full	N/A
Edscha Pha Automotive Components (Kunshan) Co., Ltd.	Kunshan	China		100.00%	Parts manufacturing	Full	Deloitte
Edscha North America Technologies, LLC.	Delaware	USA		100.00%	Holding/Divisional company	Full	Ernst & Young
Edscha Automotive Components (Shanghai) Co., Ltd	Shanghai	China		100.00%	Tooling and parts manufacturing	Full	N/A
GMF Holding GmbH	Remscheid	Germany		100.00%	Portfolio company	Full	Ernst & Young
Gestamp Metal Forming (Wuhan), Ltd	Wuhan	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Umformtechnik GmbH	Ludwigsfelde	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Automotive Chassis Products Plc.	Newton Aycliffe, Durham	United Kingdom		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Sofedit, S.A.S	Le Thell sur Huisne	France		100.00%	Portfolio company	Full	Ernst & Young
Gestamp Prisma, S.A.S	Usine de Messempuré	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Tallent, Ltd	Newton Aycliffe, Durham	United Kingdom		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Wroclaw Sp.z.o.o.	Wroclaw	Poland		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Auto components (Chongqing) Co., Ltd.	Chongqing	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young

The companies which compose the Griwe Subgroup at 31 December 2020 and 31 December 2019 are as follows:

<b>Company</b>	<b>Address</b>	<b>Country</b>	<b>Shareholding</b>	<b>Consolidation method</b>
Gestamp Gri we Westerburg GmbH	Westerburg	Germany	Parent company	Full
Gestamp Gri we Haynrode GmbH	Haynrode	Germany	100.00%	Full

## Appendix II

### Indirect investments at 31 December 2020

December 31, 2020		
Company	Company holding indirect investment	% investment
Gestamp Vigo, S.A.	Gestamp Servicios, S.A.	0.010%
Gestamp Toledo, S.L.	Gestamp Servicios, S.A.	0.010%
Gestamp Brasil Industria de Autopeças, S.A.	Gestamp Servicios, S.A.	41.760%
Gestamp Ingeniería Europa Sur, S.L.	Gestamp Servicios, S.A.	0.040%
Gestamp Esmar, S.A.	Gestamp Servicios, S.A.	99.900%
Gestamp Bizkaia, S.A.	Gestamp Servicios, S.A.	14.690%
Gestamp Kartek Co., LTD	Gestamp Servicios, S.A.	100.000%
Gestamp Services India Private, Ltd.	Gestamp Servicios, S.A.	1.010%
Beyçelik Gestamp Kalip, A.S.	Gestamp Servicios, S.A.	50.000%
Gestamp Holding México, S.L.	Gestamp Servicios, S.A.	69.850%
Gestamp Holding Rusia, S.L.	Gestamp Servicios, S.A.	7.655%
Gestamp Togliatti, LLC.	Gestamp Servicios, S.A.	100.000%
Gestamp Sweden, AB	Gestamp Servicios, S.A.	5.475%
Gestamp Cerveira, Lda.	Gestamp Vigo, S.A.	60.630%
Gestamp Noury, S.A.	Gestamp Vigo, S.A.	100.000%
Gestamp Louny S.R.O.	Gestamp Cerveira, Lda.	52.720%
Gestamp Aveiro, S.A.	Gestamp Cerveira, Lda.	45.660%
Gestamp Pune Automotive, Pvt. Ltd.	Gestamp Cerveira, Lda.	26.370%
Autotech Engineering S.L.	Gestamp Bizkaia, S.A.	90.000%
Gestamp Sweden, AB	Gestamp Bizkaia, S.A.	1.000%
Gestamp North Europe Services, S.L.	Gestamp Bizkaia, S.A.	0.030%
Autotech Engineering Deutschland GmbH	Gestamp Bizkaia, S.A.	55.000%
Autotech Engineering R&D Uk limited	Gestamp Bizkaia, S.A.	55.000%
Gestamp Technology Institute, S.L.	Gestamp Bizkaia, S.A.	0.030%
Gestamp Global Tooling, S.L.	Gestamp Bizkaia, S.A.	0.010%
Autotech Engineering R&D USA, Inc.	Gestamp Bizkaia, S.A.	55.000%
Loire S.A. Franco Española	Gestamp Bizkaia, S.A.	1.000%
Autotech Engineering (Shangai), Co. Ltd.	Gestamp Bizkaia, S.A.	55.000%
Gestamp Autotech Japan K.K.	Gestamp Bizkaia, S.A.	55.000%
Autotech Engineering Spain, S.L.	Gestamp Bizkaia, S.A.	0.010%
Autotech Engineering France S.A.S.	Gestamp Bizkaia, S.A.	55.000%
Reparaciones Industriales Zaldibar, S.L.	Gestamp Bizkaia, S.A.	0.010%
Gestamp Tooling AIE	Gestamp Bizkaia, S.A.	40.000%
Gestamp Levante, S.L.	Gestamp Linares, S.A.	11.500%
Gestamp Hard Tech AB	Gestamp Sweden, AB	100.000%
Gestamp Holding China, AB	Gestamp HardTech, AB	68.940%
Gestamp Tool Hardening, S.L.	Matricerías Deusto, S.L.	0.100%
Gestamp Tooling AIE	Matricerías Deusto, S.L.	20.000%
SCI Tournan en Brie	Gestamp Noury, S.A.S	99.900%
Gestamp Linares, S.L.	Gestamp Toledo, S.A.	94.980%
Gestamp Holding Argentina, S.L.	Gestamp Toledo, S.A.	43.530%
Gestamp Aveiro, S.A.	Gestamp Palencia, S.A.	54.340%
Gestamp Tech, S.L.	Gestamp Palencia, S.A.	99.670%
Gestamp Holding Argentina, S.L.	Gestamp Palencia, S.A.	15.660%
Gestamp Holding México, S.L.	Gestamp Palencia, S.A.	0.150%
Tuyauto Gestamp Morocco	Gestamp Palencia, S.A.	50.000%
Gestamp Romchamp, S.A.	Gestamp Palencia, S.A.	100.000%
Gestamp Autocomponents (Beijing) Co., Ltd.	Gestamp Autocomponents (Tianjin) Co., Ltd.	100.000%
Gestamp Córdoba, S.A.	Gestamp Argentina, S.A.	7.906%
Mursolar, 21, S.L.	Gestamp Aragón, S.A.	16.924%
Gestamp North America, INC	Gestamp Aveiro, S.A.	70.000%
Gestamp Navarra, S.A.	Gestamp Metalbages, S.A.	28.630%
Ingeniería Global MB, S.A.	Gestamp Metalbages, S.A.	100.000%
Gestamp Aragon, S.A.	Gestamp Metalbages, S.A.	94.990%
Gestamp Abrera, S.A.	Gestamp Metalbages, S.A.	94.990%
MB Aragon P21, S.L.	Gestamp Metalbages, S.A.	100.000%
Gestamp Polska SP. Z.O.O.	Gestamp Metalbages, S.A.	100.000%
Gestamp Ingeniería Europa Sur, S.L.	Gestamp Metalbages, S.A.	99.960%
Gestamp Manufacturing Autochasis, S.L.	Gestamp Metalbages, S.A.	94.990%
Subgrupo Griwe	Gestamp Metalbages, S.A.	100.000%
Edscha Holding GmbH	Gestamp Metalbages, S.A.	67.000%
ESSA PALAU, S.A.	Gestamp Metalbages, S.A.	60.000%
GMF Holding GmbH	Gestamp Metalbages, S.A.	100.000%
Gestamp Services India private. Ltd.	Gestamp Levante, S.A.	98.990%
Gestamp Holding Rusia, S.L.	Gestamp Levante, S.A.	7.810%

Company	Company holding indirect investment	% investment
Mursolar, 21, S.L.	Gestamp Navarra, S.A.	28.535%
Gestamp Holding Rusia, S.L.	Gestamp Solblank Navarra, S.L.	5.642%
Gestamp Severstal Vsevolozhsk Llc	Todlem, S.L.	100.000%
Gestamp Severstal Kaluga, Llc	Todlem, S.L.	100.000%
Mexicana Servicios Laborales, S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Aguascalientes, S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Puebla, S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Mexicana Serv. Lab., S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Toluca, S.A. de C.V.	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Puebla II, S.A. de C.V.	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp San Luis Potosí, S.A.P.I. de C.V.	Gestamp Cartera de México, S.A. de C.V.	0.005%
Gestamp San Luis Potosí, Servicios Laborales S.A.P.I. de C.V.	Gestamp Cartera de México, S.A. de C.V.	99.990%
Gestamp Sevicios Laborales de Toluca, S.A. de C.V.	Gestamp Cartera de México, S.A. de C.V.	99.900%
Gestamp Córdoba, S.A.	Gestamp Brasil Industria de Autopeças, S.A.	3.167%
Gestamp Sorocaba Indústria de Autopeças Ltda.	Gestamp Brasil Industria de Autopeças, S.A.	100.000%
Gestamp Baires, S.A.	Gestamp Brasil Industria de Autopeças, S.A.	6.770%
MB Solblank Navarra, S.L.	Gestamp Abrera, S.A.	100.000%
Gestamp Solblank Barcelona, S.A.	Gestamp Abrera, S.A.	94.990%
Gestamp Etem Automotive Bulgaria, S.A.	Gestamp North Europe Services, S.L.	51.000%
Etem Gestamp Aluminium Extrusions, S.A.	Gestamp North Europe Services, S.L.	49.000%
Gestamp Holding Rusia, S.L.	Gestamp Polska, SP. Z.O.O.	24.561%
Edscha Holding GmbH	Gestamp Polska, SP. Z.O.O.	33.000%
Gestamp Automotive India Private Ltd.	Gestamp Polska, SP. Z.O.O.	50.000%
Gestamp Automotive Chennai Private, Ltd.	Gestamp Solblank Barcelona, S.A.	100.000%
Gestamp Holding Rusia, S.L.	Gestamp Solblank Barcelona, S.A.	6.673%
Gestamp Chattanooga, LLC.	Gestamp North America, INC	100.000%
Gestamp Mason, Llc.	Gestamp North America, INC	100.000%
Gestamp Alabama, Llc	Gestamp North America, INC	100.000%
Gestamp West Virginia, Llc.	Gestamp North America, INC	100.000%
Gestamp South Carolina, LLC.	Gestamp North America, INC	100.000%
Gestamp Washtenaw, LLC.	Gestamp North America, INC	100.000%
Gestamp San Luis de Potosí, S.A.P.I. de C.V.	Gestamp North America, INC	99.990%
Gestamp Chattanooga II, LLC.	Gestamp North America, INC	100.000%
Todlem, S.L.	Gestamp Holding Rusia, S.L.	74.980%
Gestamp Auto Components (Kunshan) Co., Ltd	Gestamp Holding China, AB	100.000%
Industrias Tamer, S.A.	Gestamp Esmar, S.A.	43.000%
Gestamp Pune Automotive, Pvt. Ltd.	Gestamp Automotive Chennai Private Ltd.	73.630%
Mursolar, 21, S.L.	Subgrupo Griwe	19.540%
Gestamp Louny S.R.O.	Subgrupo Griwe	47.280%
Gestamp Palau, S.A.	Gestamp Manufacturing Autochasis, S.L.	40.000%
Almussafes Mantenimiento Troqueles, S.L.	Gestamp Palau, S.A.	100.000%
Matricerías Deusto, S.L.	Gestamp Global Tooling, S.L.	100.000%
Gestamp Try Out Services, S.L.	Gestamp Global Tooling, S.L.	100.000%
Gestamp Tooling Services, AIE	Gestamp Global Tooling, S.L.	40.000%
Adral Matricería y puesta a punto, S.L.	Gestamp Global Tooling, S.L.	100.000%
Gestamp Tool Hardening, S.L.	Gestamp Global Tooling, S.L.	99.900%
Gestamp Tooling Engineering Deutschland GmbH	Gestamp Global Tooling, S.L.	100.000%
Gestamp Argentina, S.A.	Gestamp Holding Argentina, S.L.	97.000%
Gestamp Córdoba, S.A.	Gestamp Holding Argentina, S.L.	38.250%
Gestamp Baires, S.A.	Gestamp Holding Argentina, S.L.	93.230%
Gestamp Córdoba, S.A.	Gestamp Baires, S.A.	50.670%
Autotech Engineering Deutschland GmbH	Autotech Engineering S.L.	45.000%
Autotech Engineering (Shanghai), Co. Ltd.	Autotech Engineering S.L.	45.000%
Gestamp Autotech Japan K.K.	Autotech Engineering S.L.	45.000%
Autotech Engineering Spain, S.L.	Autotech Engineering S.L.	99.990%
Autotech Engineering France S.A.S.	Autotech Engineering S.L.	45.000%
Autotech Engineering R&D Uk limited	Autotech Engineering S.L.	45.000%
Autotech Engineering R&D USA limited	Autotech Engineering S.L.	45.000%
Gestamp Tooling Erandio, S.L.	Gestamp Tool Hardening, S.L.	20.000%
Gestamp Cartera de Mexico, S.A. de CV	Gestamp Holding México, S.L.	100.000%
Gestamp Brasil Industria de Autopeças, S.A.	Gestamp Holding México, S.L.	40.330%
Gestamp Argentina, S.A.	Gestamp Holding México, S.L.	3.000%
Gestamp Hot Stamping Japan K.K.	Gestamp Kartek Co., LTD	50.000%
Gestamp Mexicana Serv. Lab. II, S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	99.990%
Gestamp Mexicana Serv. Lab. II, S.A. de CV	Gestamp Puebla, S.A. de CV	0.010%
Gestamp Tooling Erandio, S.L.	Loire Sociedad Anónima Franco Española	80.000%
Gestamp Autocomponents (Tianjin) Co., Ltd.	Gestamp (China) Holding, Co. Ltd	51.000%
Gestamp Metal Forming (Wuhan) Co., Ltd.	Gestamp (China) Holding, Co. Ltd	100.000%
Gestamp Auto Components (Chongqing), Co. Ltd.	Gestamp (China) Holding, Co. Ltd	100.000%
Gestamp Autocomponents Sales (Tianjin) Co., Ltd.	Gestamp (China) Holding, Co. Ltd	49.000%
Ingeniería y Construcción Matrices, S.A.	Gestión Global de Matricería, S.L.	100.000%
IxCt, S.A.	Gestión Global de Matricería, S.L.	100.000%
GGM Puebla, S.A. de C.V.	Gestión Global de Matricería, S.L.	0.001%
GGM Puebla de Servicios Laborales, S.A. de C.V.	Gestión Global de Matricería, S.L.	0.001%
GGM Puebla, S.A. de C.V.	Gestión Global de Matricería, S.L.	99.990%
Kunshan Gestool Tooling Manufacturing, Co. Ltd.	Gestión Global de Matricería, S.L.	100.000%
GGM Puebla de Servicios Laborales, S.A. de C.V.	Gestión Global de Matricería, S.L.	99.990%
Gestamp Auto Components (Shenyang), Co. Ltd.	Mursolar 21, S.L.	100.000%
Gestamp Autocomponents (Dongguan) Co., Ltd.	Mursolar 21, S.L.	100.000%
Gestamp San Luis Potosí, S.A.P.I. de C.V.	Gestamp Puebla, S.A. de CV	0.005%
Gestamp San Luis Potosí, Servicios Laborales S.A.P.I. de C.V.	Gestamp Puebla, S.A. de CV	0.010%
Celik Form Gestamp Otomotive, A.S.	Beyçelik Gestamp Kalip, A.S.	100.000%
Gestamp Beyçelik Romania, S.R.L.	Beyçelik Gestamp Kalip, A.S.	100.000%
Beyçelik Gestamp Teknoloji Kalip, A.S.	Beyçelik Gestamp Kalip, A.S.	100.000%
Beyçelik Gestamp Sasi, L.S.	Beyçelik Gestamp Kalip, A.S.	100.000%



Company	Company holding indirect investment	% investment
Edscha Automotive Hengersberg GmbH	Edscha Holding GmbH	100.000%
Edscha Automotive Hauzenberg GmbH	Edscha Holding GmbH	100.000%
Edscha Engineering GmbH	Edscha Holding GmbH	100.000%
Edscha Automotive Technology, Co. Ltd.	Edscha Holding GmbH	100.000%
Gestamp 2008, S.L.	Edscha Holding GmbH	100.000%
Anhui Edscha Automotive parts, Co. Ltd.	Edscha Holding GmbH	100.000%
Edscha Hradec, S.R.O.	Edscha Holding GmbH	100.000%
Gestamp edscha Japan, Co. Ltd.	Edscha Holding GmbH	100.000%
Edscha Burgos, S.A.	Edscha Holding GmbH	0.010%
Edscha Velky Meder, S.R.O.	Edscha Holding GmbH	100.000%
Edscha Automotiv Kamenice, S.R.O.	Edscha Holding GmbH	100.000%
Edscha Engineering France SAS	Edscha Holding GmbH	100.000%
Edscha Hengersberg Real Estate GmbH	Edscha Holding GmbH	94.900%
Edscha Hauzenberg Real Estate GmbH	Edscha Holding GmbH	94.900%
Shanghai Edscha Machinery, Co. Ltd.	Edscha Holding GmbH	55.000%
Edscha Automotive Michigan, Inc.	Edscha Holding GmbH	100.000%
Edscha Togliatti, Llc.	Edscha Holding GmbH	100.000%
Edscha Automotive Components, Co. Ltd.	Edscha Holding GmbH	100.000%
Edscha Kunststofftechnik GmbH	Edscha Holding GmbH	100.000%
Edscha Pha, Ltd.	Edscha Holding GmbH	50.000%
Edscha Automotive SLP, S.A.P.I. de C.V.	Edscha Holding GmbH	99.990%
Edscha Automotive SLP Servicios Laborales, S.A.P.I. de C.V.	Edscha Holding GmbH	99.990%
Edscha Automotive Components (Chongqing) Co. Ltd.	Edscha Holding GmbH	100.000%
Jui li Edscha Body Systems Co. Ltd.	Edscha Holding GmbH	60.000%
Edscha Automotive Italy	Edscha Holding GmbH	100.000%
Edscha Automotive Aapico, Co. Ltd.	Edscha Holding GmbH	50.990%
Edscha Pha Automotive Components (Kunshan) Co., Ltd.	Edscha Pha, Ltd.	100.000%
Edscha North America Technologies, Llc.	Edscha Automotive Michigan, Inc.	100.000%
Edscha Automotive Components (Shanghai), Co. Ltd.	Shanghai Edscha Machinery, Co. Ltd.	100.000%
Jui li Edscha Holding, Co. Ltd.	Jui li Edscha Body Systems Co. Ltd.	100.000%
Jui li Edscha Hainan Industry Enterprise, Co. Ltd.	Jui li Edscha Holding, Co. Ltd.	100.000%
Edscha do Brasil, Ltd.	Edscha Engineering GmbH	83.260%
Edscha Automotive SLP, S.A.P.I. de C.V.	Edscha Engineering GmbH	0.010%
Edscha Automotive SLP Servicios Laborales, S.A.P.I. de C.V.	Edscha Engineering GmbH	0.010%
Edscha Automotive Aapico, Co. Ltd.	Edscha Engineering GmbH	0.010%
Edscha Santander, S.L.	Gestamp 2008, S.L.	94.990%
Edscha Burgos, S.A.	Gestamp 2008, S.L.	99.990%
Edscha Briey, S.A.S.	Edscha Santander, S.L.	100.000%
Edscha do Brasil, Ltd.	Edscha Santander, S.L.	16.740%
G. Auto Components Wuhan Co., Ltd.	GMF Holding GmbH	100.000%
Gestamp Umformtechnik GmbH	GMF Holding GmbH	100.000%
Automotive Chassis Products, Plc.	GMF Holding GmbH	100.000%
Sofedit SAS	GMF Holding GmbH	100.000%
Gestamp (China) Holding, Co. Ltd	GMF Holding GmbH	100.000%
Gestamp Prisma SAS	GMF Holding GmbH	100.000%
Gestamp Tallent, Ltd.	Automotive Chassis Products Plc.	100.000%
Gestamp Wroclaw, Sp. Z.o.o.	Sofedit, S.A.S	100.000%
Gestamp Washington Uk, Limited	Gestamp Tallent , Ltd	100.000%
Gestamp Hot Stamping Japan K.K.	Gestamp Tallent , Ltd	50.000%
Gestamp Sweden, AB	Gestamp Tallent , Ltd	0.372%

## Indirect investments at 31 December 2019

December 31, 2019		
Company	Company holding indirect investment	% investment
Gestamp Vigo, S.A.	Gestamp Servicios, S.A.	0.010%
Gestamp Toledo, S.L.	Gestamp Servicios, S.A.	0.010%
Gestamp Brasil Industria de Autopeças, S.A.	Gestamp Servicios, S.A.	70.000%
Gestamp Ingeniería Europa Sur, S.L.	Gestamp Servicios, S.A.	0.040%
Gestamp Esmar, S.A.	Gestamp Servicios, S.A.	99.900%
Gestamp Bizkaia, S.A.	Gestamp Servicios, S.A.	14.690%
Gestamp Kartek Co., LTD	Gestamp Servicios, S.A.	100.000%
Gestamp Services India Private, Ltd.	Gestamp Servicios, S.A.	1.010%
Beyçelik Gestamp Kalip, A.S.	Gestamp Servicios, S.A.	50.000%
Gestamp Holding México, S.L.	Gestamp Servicios, S.A.	69.850%
Gestamp Holding Rusia, S.L.	Gestamp Servicios, S.A.	7.655%
Gestamp Togliatti, LLC.	Gestamp Servicios, S.A.	100.000%
Gestamp Cerveira, Lda.	Gestamp Vigo, S.A.	57.750%
Gestamp Washington Uk, Limited	Gestamp Vigo, S.A.	4.990%
Gestamp Noury, S.A.	Gestamp Vigo, S.A.	100.000%
Gestamp Louny S.R.O.	Gestamp Cerveira, Lda.	52.720%
Gestamp Aveiro, S.A.	Gestamp Cerveira, Lda.	45.660%
Gestamp Pune Automotive, Pvt. Ltd.	Gestamp Cerveira, Lda.	26.370%
Autotech Engineering AIE	Gestamp Bizkaia, S.A.	90.000%
Gestamp Sweden, AB	Gestamp Bizkaia, S.A.	55.010%
Gestamp North Europe Services, S.L.	Gestamp Bizkaia, S.A.	0.030%
Autotech Engineering Deutschland GmbH	Gestamp Bizkaia, S.A.	55.000%
Autotech Engineering R&D Uk limited	Gestamp Bizkaia, S.A.	55.000%
Gestamp Technology Institute, S.L.	Gestamp Bizkaia, S.A.	0.010%
Gestamp Global Tooling, S.L.	Gestamp Bizkaia, S.A.	0.010%
Autotech Engineering R&D USA, Inc.	Gestamp Bizkaia, S.A.	55.000%
Loire S.A. Franco Española	Gestamp Bizkaia, S.A.	1.000%
Autotech Engineering (Shangai), Co. Ltd.	Gestamp Bizkaia, S.A.	55.000%
Gestamp Autotech Japan K.K.	Gestamp Bizkaia, S.A.	55.000%
Gestamp Tooling AIE	Gestamp Bizkaia, S.A.	40.000%
Gestamp Levante, S.L.	Gestamp Linares, S.A.	11.500%
Gestamp Hard Tech AB	Gestamp Sweden, AB	100.000%
Gestamp Holding China, AB	Gestamp HardTech, AB	68.940%
Gestamp Tool Hardening, S.L.	Matricerías Deusto, S.L.	0.100%
Gestamp Tooling AIE	Matricerías Deusto, S.L.	20.000%
SCI Tournan en Brie	Gestamp Noury, S.A.S	99.900%
Gestamp Linares, S.L.	Gestamp Toledo, S.A.	94.980%
Gestamp Holding Argentina, S.L.	Gestamp Toledo, S.A.	43.530%
Gestamp Aveiro, S.A.	Gestamp Palencia, S.A.	54.340%
Gestamp Galvanizados, S.A.	Gestamp Palencia, S.A.	100.000%
Gestamp Tech, S.L.	Gestamp Palencia, S.A.	99.670%
Gestamp Holding Argentina, S.L.	Gestamp Palencia, S.A.	7.040%
Gestamp Autocomponents (Tianjin) Co., Ltd.	Gestamp Palencia, S.A.	100.000%
Gestamp Romchamp, S.A.	Gestamp Palencia, S.A.	100.000%
Gestamp Autocomponets (Beijing) Co, Ltd.	Gestamp Autocomponets (Tianjin) Co, Ltd.	100.000%
Gestamp Córdoba, S.A.	Gestamp Argentina, S.A.	7.906%
Mursolar, 21, S.L.	Gestamp Aragón, S.A.	16.924%
Gestamp Holding México, S.L.	Gestamp Galvanizados, S.A.	0.150%
Gestamp Holding Argentina, S.L.	Gestamp Galvanizados, S.A.	8.620%
Gestamp North America, INC	Gestamp Aveiro, S.A.	70.000%
Gestamp Navarra, S.A	Gestamp Metalbages, S.A.	28.630%
Ingeniería Global MB, S.A.	Gestamp Metalbages, S.A.	100.000%
Gestamp Aragon, S.A.	Gestamp Metalbages, S.A.	94.990%
Gestamp Abrera, S.A.	Gestamp Metalbages, S.A.	94.990%
MB Aragon P21, S.L.	Gestamp Metalbages, S.A.	100.000%
Gestamp Polska SP. Z.O.O.	Gestamp Metalbages, S.A.	100.000%
Gestamp Ingeniería Europa Sur, S.L.	Gestamp Metalbages, S.A.	99.960%
Gestamp Manufacturing Autochasis, S.L.	Gestamp Metalbages, S.A.	94.990%
Subgrupo Griwe	Gestamp Metalbages, S.A.	100.000%
Edscha Holding GmbH	Gestamp Metalbages, S.A.	67.000%
ESSA PALAU, S.A.	Gestamp Metalbages, S.A.	60.000%
GMF Holding GmbH	Gestamp Metalbages, S.A.	100.000%
Gestamp Services India private. Ltd.	Gestamp Levante, S.A.	98.990%

Company	Company holding indirect investment	% investment
Gestamp Holding Rusia, S.L.	Gestamp Solblank Navarra, S.L.	5.642%
Gestamp Severstal Vsevolozhsk LLC	Todlem, S.L.	100.000%
Gestamp Severstal Kaluga, LLC	Todlem, S.L.	100.000%
Mexicana Servicios Laborales, S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Aguascalientes, S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Puebla, S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Mexicana Serv. Lab., S.A. de CV	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Toluca, S.A. de C.V.	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp Puebla II, S.A. de C.V.	Gestamp Cartera de México, S.A. de C.V.	100.000%
Gestamp San Luis Potosí, S.A.P.I. de C.V.	Gestamp Cartera de México, S.A. de C.V.	99.990%
Gestamp San Luis Potosí, Servicios Laborales S.A.P.I. de C.V.	Gestamp Cartera de México, S.A. de C.V.	99.990%
Gestamp Servicios Laborales de Toluca, S.A. de C.V.	Gestamp Cartera de México, S.A. de C.V.	99.900%
Gestamp Córdoba, S.A.	Gestamp Brasil Industria de Autopeças, S.A.	4.272%
NCSG sorocaba Industria Metalúrgica Ltda.	Gestamp Brasil Industria de Autopeças, S.A.	100.000%
Gestamp Baires, S.A.	Gestamp Brasil Industria de Autopeças, S.A.	6.770%
MB Solblank Navarra, S.L.	Gestamp Abrera, S.A.	100.000%
Gestamp Solblank Barcelona, S.A.	Gestamp Abrera, S.A.	94.990%
Gestamp Holding Rusia, S.L.	Gestamp Polska, SP. Z.O.O.	24.561%
Edscha Holding GmbH	Gestamp Polska, SP. Z.O.O.	33.000%
Gestamp Automotive India Private Ltd.	Gestamp Polska, SP. Z.O.O.	50.000%
Gestamp Automotive Chennai Private, Ltd.	Gestamp Solblank Barcelona, S.A.	100.000%
Gestamp Holding Rusia, S.L.	Gestamp Solblank Barcelona, S.A.	6.673%
Gestamp Chattanooga, LLC.	Gestamp North America, INC	100.000%
Gestamp Mason, LLC.	Gestamp North America, INC	100.000%
Gestamp Alabama, LLC	Gestamp North America, INC	100.000%
Gestamp West Virginia, LLC.	Gestamp North America, INC	100.000%
Gestamp South Carolina, LLC.	Gestamp North America, INC	100.000%
Gestamp Washtenaw, LLC.	Gestamp North America, INC	100.000%
Gestamp Chattanooga II, LLC.	Gestamp North America, INC	100.000%
Todlem, S.L.	Gestamp Holding Rusia, S.L.	74.980%
Gestamp Auto Components (Kunshan) Co., Ltd	Gestamp Holding China, AB	100.000%
Industrias Tamer, S.A.	Gestamp Esmar, S.A.	30.000%
Gestamp Pune Automotive, Pvt. Ltd.	Gestamp Automotive Chennai Private Ltd.	73.630%
Mursolar, 21, S.L.	Subgrupo Griwe	19.540%
Gestamp Louny S.R.O.	Subgrupo Griwe	47.280%
Gestamp Palau, S.A.	Gestamp Manufacturing Autochasis, S.L.	40.000%
Almussafes Mantenimiento Troqueles, S.L.	Gestamp Palau, S.A.	100.000%
Matricerías Deusto, S.L.	Gestamp Global Tooling, S.L.	100.000%
Gestamp Try Out Services, S.L.	Gestamp Global Tooling, S.L.	100.000%
Gestamp Tooling Services, AIE	Gestamp Global Tooling, S.L.	40.000%
Adral Matricería y puesta a punto, S.L.	Gestamp Global Tooling, S.L.	100.000%
Gestamp Tool Hardening, S.L.	Gestamp Global Tooling, S.L.	99.900%
Gestamp Tooling Engineering Deutschland GmbH	Gestamp Global Tooling, S.L.	100.000%
Gestamp Argentina, S.A.	Gestamp Holding Argentina, S.L.	97.000%
Gestamp Córdoba, S.A.	Gestamp Holding Argentina, S.L.	51.615%
Gestamp Baires, S.A.	Gestamp Holding Argentina, S.L.	93.230%
Gestamp Córdoba, S.A.	Gestamp Baires, S.A.	33.443%
Autotech Engineering Deutschland GmbH	Autotech Engineering AIE	45.000%
Autotec Engineering (Shanghai), Co. Ltd.	Autotech Engineering AIE	45.000%
Gestamp Autotech Japan K.K.	Autotech Engineering AIE	45.000%
Autotech Engineering R&D UK limited	Autotech Engineering AIE	45.000%
Autotech Engineering R&D USA limited	Autotech Engineering AIE	45.000%
Gestamp Tooling Erandio, S.L.	Gestamp Tool Hardening, S.L.	20.000%
Gestamp Cartera de Mexico, S.A. de CV	Gestamp Holding México, S.L.	100.000%
Gestamp Argentina, S.A.	Gestamp Holding México, S.L.	3.000%
Gestamp Tooling Erandio, S.L.	Loire Sociedad Anónima Franco Española	80.000%
Gestamp Autocomponents (Tianjin) Co., Ltd.	Gestamp (China) Holding, Co. Ltd	51.000%
Gestamp Autocomponents Sales (Tianjin) Co., Ltd.	Gestamp (China) Holding, Co. Ltd	49.000%
Gestamp Metal Forming Wuhan, Co. Ltd.	Gestamp (China) Holding, Co. Ltd	100.000%
Gestamp Auto Components (Chongqing), Co. Ltd.	Gestamp (China) Holding, Co. Ltd	100.000%
Ingeniería y Construcción Matrices, S.A.	Gestión Global de Matricería, S.L.	100.000%
IxCxT, S.A.	Gestión Global de Matricería, S.L.	100.000%
GGM Puebla, S.A. de C.V.	Gestión Global de Matricería, S.L.	0.001%
GGM Puebla de Servicios Laborales, S.A. de C.V.	Gestión Global de Matricería, S.L.	0.001%
GGM Puebla, S.A. de C.V.	Gestión Global de Matricería, S.L.	99.990%
Kunshan Gestool Tooling Manufacturing, Co, Ltd.	Gestión Global de Matricería, S.L.	100.000%
GGM Puebla de Servicios Laborales, S.A. de C.V.	Gestión Global de Matricería, S.L.	99.990%
Gestamp Auto Components (Shenyang), Co. Ltd.	Mursolar 21, S.L.	100.000%
Gestamp Autocomponents (Dongguan) Co., Ltd.	Mursolar 21, S.L.	100.000%
Gestamp San Luis Potosí, S.A.P.I. de C.V.	Gestamp Puebla, S.A. de CV	0.010%
Gestamp San Luis Potosí, Servicios Laborales S.A.P.I. de C.V.	Gestamp Puebla, S.A. de CV	0.010%
Celik Form Gestamp Otomotive, A.S.	Beyçelik Gestamp Kalip, A.S.	100.000%
MPO Providers Rezistent, SRL	Beyçelik Gestamp Kalip, A.S.	70.000%
Beyçelik Gestamp Teknoloji Kalip, A.S.	Beyçelik Gestamp Kalip, A.S.	100.000%
Beyçelik Gestamp Sasi, L.S.	Beyçelik Gestamp Kalip, A.S.	100.000%
Gestamp Etem Automotive Bulgaria, S.A.	Gestamp North Europe, S.A.	51.000%
Etem Gestamp Aluminium Extrusions, S.A.	Gestamp North Europe, S.A.	49.000%

Company	Company holding indirect investment	% investment
Edscha Automotive Hengersberg GmbH	Edscha Holding GmbH	100.000%
Edscha Automotive Hauzenberg GmbH	Edscha Holding GmbH	100.000%
Edscha Engineering GmbH	Edscha Holding GmbH	100.000%
Edscha Automotive Technology, Co. Ltd.	Edscha Holding GmbH	100.000%
Gestamp 2008, S.L.	Edscha Holding GmbH	100.000%
Anhui Edscha Automotive parts, Co. Ltd.	Edscha Holding GmbH	100.000%
Edscha Hradec, S.R.O.	Edscha Holding GmbH	100.000%
Gestamp edscha Japan, Co. Ltd.	Edscha Holding GmbH	100.000%
Edscha Burgos, S.A.	Edscha Holding GmbH	0.010%
Edscha Velky Meder, S.R.O.	Edscha Holding GmbH	100.000%
Edscha Automotiv Kamenice, S.R.O.	Edscha Holding GmbH	100.000%
Edscha Engineering France SAS	Edscha Holding GmbH	100.000%
Edscha Hengersberg Real Estate GmbH	Edscha Holding GmbH	94.900%
Edscha Hauzenberg Real Estate GmbH	Edscha Holding GmbH	94.900%
Shanghai Edscha Machinery, Co. Ltd.	Edscha Holding GmbH	55.000%
Edscha Automotive Michigan, Inc.	Edscha Holding GmbH	100.000%
Edscha Togliatti, LLC.	Edscha Holding GmbH	100.000%
Edscha Automotive Components, Co. Ltd.	Edscha Holding GmbH	100.000%
Gestamp Finance Slovakia, S.R.O.	Edscha Holding GmbH	75.000%
Edscha Kunststofftechnik GmbH	Edscha Holding GmbH	100.000%
Edscha Pha, Ltd.	Edscha Holding GmbH	50.000%
Edscha Automotive SLP, S.A.P.I. de C.V.	Edscha Holding GmbH	99.990%
Edscha Automotive SLP Servicios Laborales, S.A.P.I. de C.V.	Edscha Holding GmbH	99.990%
Edscha Automotive Components (Chongqing) Co. Ltd.	Edscha Holding GmbH	100.000%
Jui li Edscha Body Systems Co. Ltd.	Edscha Holding GmbH	60.000%
Edscha Automotive Italy	Edscha Holding GmbH	100.000%
Edscha Automotive Aapico, Co. Ltd.	Edscha Holding GmbH	50.990%
Edscha Pha Automotive Components (Kunshan) Co., Ltd.	Edscha Pha, Ltd.	100.000%
Jui li Edscha Holding, Co. Ltd.	Jui li Edscha Body Systems Co. Ltd.	100.000%
Jui li Edscha Hainan Industry Enterprise, Co. Ltd.	Jui li Edscha Holding, Co. Ltd.	100.000%
Edscha do Brasil, Ltd.	Edscha Engineering GmbH	83.260%
Edscha Automotive SLP, S.A.P.I. de C.V.	Edscha Engineering GmbH	0.010%
Edscha Automotive SLP Servicios Laborales, S.A.P.I. de C.V.	Edscha Engineering GmbH	0.010%
Edscha Automotive Aapico, Co. Ltd.	Edscha Engineering GmbH	0.010%
Edscha North America Technologies, LLC.	Edscha Automotive Michigan, Inc.	100.000%
Edscha Santander, S.L.	Gestamp 2008, S.L.	94.990%
Edscha Burgos, S.A.	Gestamp 2008, S.L.	99.990%
Edscha Briey, S.A.S.	Edscha Santander, S.L.	100.000%
Edscha do Brasil, Ltd.	Edscha Santander, S.L.	16.740%
Gestamp Umformtechnik GmbH	GMF Holding GmbH	100.000%
Automotive Chassis Products, Plc.	GMF Holding GmbH	100.000%
Sofedit SAS	GMF Holding GmbH	100.000%
Gestamp (China) Holding, Co. Ltd	GMF Holding GmbH	100.000%
Gestamp Prisma SAS	GMF Holding GmbH	100.000%
Gestamp Tallent, Ltd.	Automotive Chassis Products Plc.	100.000%
Gestamp Wroclaw, Sp. Z.o.o.	Sofedit, S.A.S	100.000%
Gestamp Washington Uk, Limited	Gestamp Tallent, Ltd	95.010%
Gestamp Hot Stamping Japan K.K.	Gestamp Tallent, Ltd	50.000%
Gestamp Sweden, AB	Gestamp Tallent, Ltd	18.970%

## APPENDIX III

**Guarantors for 2013 Syndicated Loan (modified in subsequent years)**

Gestamp Navarra, S.A.	Gestamp Polska, Sp. Z.o.o.
Edscha Automotive Kamenice, S.R.O.	Gestamp Cerveira, Ltda.
Edscha Engineering, GmbH	Gestamp Ronchamp, S.A.S.
Edscha Briey, S.A.S.	Gestamp Servicios, S.A.
Edscha Engineering France, S.A.S.	Gestamp Washington UK, Limited
Edscha Automotive Hauzenberg, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Vigo, S.A.
Edscha Hengersberg Real Estate, GmbH	Gestamp Umformtechnik, GmbH
Edscha Automotive Hengersberg, GmbH	Griwe Subgroup
Edscha Holding, GmbH	Ingeniería Global MB, S.A.
Edscha Hradec, S.r.o.	Loire S.A. Franco Española
Edscha Velky Meder, S.r.o.	Gestamp Abrera, S.A.
Gestamp Bizkaia, S.A.	Gestamp Aragón, S.A.
Gestamp Toledo, S.A.	Gestamp Metalbages, S.A.
Gestamp Automoción, S.A.	Gestamp Prisma, S.A.S.
Gestamp Aveiro, S.A.	SCI de Tournan en Brie
Gestamp HardTech, AB	Gestamp Solblank Barcelona, S.A.
Gestamp Hungaria, KFT	Gestamp Tallent Limited
Gestamp Linares, S.A.	Edscha Burgos, S.A
Gestamp Louny, S.r.o.	Gestamp Levante, S.A.
Gestamp Noury, S.A.S.	Edscha Santander, S.L.
Gestamp Palencia, S.A.	Gestamp Wroclaw Sp. Z.o.o.
Gestamp Esmar, S.A.	Gestamp Sweden AB
Sofedit S.A.S.	GMF Holding, GmbH
Gestamp Global Tooling, S.L.	Gestamp Funding Luxembourg, S.A.

Also, a pledge was arranged on shares of the subsidiaries Gestamp Metalbages, S.A., Gestamp Bizkaia, S.A., Gestamp Vigo, S.A., Gestamp Palencia, S.A., Gestamp Servicios, S.A. y Gestamp Toledo, S.A.

**Guarantors for May 2016 Bond issue**

Gestamp Navarra, S.A.	Gestamp Noury, S.A.S.
Edscha Automotive Kamenice, S.R.O.	Gestamp Palencia, S.A.
Edscha Engineering, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Briey, S.A.S.	Gestamp Cerveira, Ltda.
Edscha Engineering France, S.A.S.	Gestamp Ronchamp, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Washington UK, Limited
Edscha Hengersberg Real Estate, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Automotive Hengersberg, GmbH	Gestamp Vigo, S.A.
Edscha Holding, GmbH	Gestamp Umformtechnik, GmbH
Edscha Hradec, S.r.o.	Griwe Subgroup
Edscha Velky Meder, S.r.o.	Ingeniería Global MB, S.A.
Gestamp Bizkaia, S.A.	Loire S.A. Franco Española
Edscha Santander, S.A.	Gestamp Abrera, S.A.
Gestamp Aveiro, S.A.	Gestamp Aragón, S.A.
Gestamp HardTech, AB	Gestamp Metalbages, S.A.
Gestamp Hungaria, KFT	Gestamp Prisma, S.A.S.
Gestamp Linares, S.A.	SCI de Tournan en Brie
Gestamp Louny, S.r.o.	Gestamp Solblank Barcelona, S.A.
Gestamp Esmar, S.A.	Gestamp Tallent Limited
Gestamp Wroclaw, Sp. Z.o.o.	Gestamp Sweden, AB
Sofedit, S.A.S.	Edscha Burgos, S.A.
Gestamp Toledo, S.A.	Gestamp Levante, S.A.

**Guarantors for June 2016 European Investment Bank Loan**

Gestamp Navarra, S.A.	Gestamp Noury, S.A.S.
Edscha Automotive Kamenice, S.R.O.	Gestamp Palencia, S.A.
Edscha Engineering, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Briey, S.A.S.	Gestamp Cerveira, Ltda.
Edscha Engineering France, S.A.S.	Gestamp Ronchamp, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Washington UK, Limited
Edscha Hengersberg Real Estate, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Automotive Hengersberg, GmbH	Gestamp Vigo, S.A.
Edscha Holding, GmbH	Gestamp Umformtechnik, GmbH
Edscha Hradec, S.r.o.	Ingeniería Global MB, S.A.
Edscha Velky Meder, S.r.o.	Loire S.A. Franco Española
Gestamp Bizkaia, S.A.	Gestamp Abrera, S.A.
Sofedit, S.A.S.	Gestamp Aragón, S.A.
Gestamp Automoción, S.A.	Gestamp Metalbages, S.A.
Gestamp Aveiro, S.A.	Gestamp Prisma, S.A.S.
Gestamp HardTech, AB	SCI de Tournan en Brie
Gestamp Hungaria, KFT	Gestamp Solblank Barcelona, S.A.
Gestamp Linares, S.A.	Gestamp Tallent Limited
Gestamp Louny, S.r.o.	Gestamp Sweden, AB
Gestamp Esmar, S.A.	Gestamp Funding Luxembourg, S.A.
Gestamp Wroclaw, Sp. Z.o.o.	GMF Holding, GmbH
Subgrupo Griwe	Edscha Santander, S.A.
Edscha Burgos, S.A.	Gestamp Global Tooling, S.L.
Gestamp Toledo, S.A.	Gestamp Levante , S.A.

**Guarantors for May 2020 European Investment Bank Loan**

Edscha Automotive Hengersberg, GmbH	Gestamp Palencia, S.A.
Edscha Holding, GmbH	Gestamp Esmar, S.A.
Griwe Subgroup	Gestamp Abrera, S.A.
Edscha Automotive Hauzenberg, GmbH	Gestamp Solblank Barcelona, S.A.
Gestamp Umformtechnik, GmbH	Loire S.A. Franco Española
Edscha Hauzenberg Real Estate, GmbH	Gestamp Aragón, S.A.
Edscha Hengersberg Real Estate, GmbH	Gestamp Linares, S.A.
Edscha Engineering, GmbH	Gestamp Vigo, S.A.
Gestamp Servicios, S.A.	Gestamp Automoción, S.A.
Gestamp Navarra, S.A.	Ingeniería Global MB, S.A.
Gestamp Bizkaia, S.A.	Gestamp Ronchamp, S.A.S.
Gestamp Metalbages, S.A.	Gestamp Noury, S.A.S.
Edscha Briey, S.A.S.	Gestamp Hungaria, KFT
Sofedit, S.A.S.	Gestamp Polska, Sp. Z.o.o.
SCI de Tournan en Brie	Gestamp Wroclaw, Sp. Z.o.o.
Edscha Engineering France, S.A.S.	Gestamp Cerveira, Ltda.
Gestamp Prisma, S.A.S.	Gestamp Vendas Novas Unipessoal, Lda.
Gestamp Aveiro, S.A.	Edscha Automotive Kamenice, S.R.O.
Edscha Hradec, S.r.o.	Gestamp Tallent Limited
Gestamp Louny, S.r.o.	Edscha Velky Meder, S.r.o.
Gestamp Washington UK, Limited	Gestamp Sweden, AB
Gestamp HardTech, AB	Gestamp Funding Luxembourg, S.A.
Edscha Santander, S.A.	Gestamp Levante, S.A.
Edscha Burgos, S.A.	Gestamp Global Tooling, S.L.
GMF Holding, GmbH	Gestamp toledo, s.A.

## Guarantors for KfW IPEX Bank GmbH Loan

Gestamp Navarra, S.A.	Gestamp Noury, S.A.S.
Edscha Automotive Kamenice, S.R.O.	Gestamp Palencia, S.A.
Edscha Engineering, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Briey, S.A.S.	Gestamp Cerveira, Ltda.
Edscha Engineering France, S.A.S.	Gestamp Ronchamp, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Washington UK, Limited
Edscha Hengersberg Real Estate, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Automotive Hengersberg, GmbH	Gestamp Vigo, S.A.
Edscha Holding, GmbH	Gestamp Umformtechnik, GmbH
Edscha Hradec, S.r.o.	Ingeniería Global MB, S.A.
Edscha Velky Meder, S.r.o.	Loire S.A. Franco Española
Gestamp Bizkaia, S.A.	Gestamp Abrera, S.A.
Gestamp Levante, S.A.	Gestamp Aragón, S.A.
Gestamp Automoción, S.A.	Gestamp Metalbages, S.A.
Gestamp Aveiro, S.A.	Gestamp Prisma, S.A.S.
Gestamp HardTech, AB	SCI de Tournan en Brie
Gestamp Hungaria, KFT	Gestamp Solblank Barcelona, S.A.
Gestamp Linares, S.A.	Gestamp Tallent Limited
Gestamp Louny, S.r.o.	Gestamp Sweden, AB
Gestamp Esmar, S.A.	Gestamp Funding Luxembourg, S.A.
Gestamp Wroclaw, Sp. Z.o.o.	Gestamp Toledo, S.A.
Sofedit, S.A.S.	Edscha Santander, S.A.
Edscha Burgos, S.A.	Griwe Subgroup

## Guarantors for April 2018 Bond issue

Gestamp Navarra, S.A.	Gestamp Noury, S.A.S.
Edscha Automotive Kamenice, S.R.O.	Gestamp Palencia, S.A.
Edscha Engineering, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Briey, S.A.S.	Gestamp Cerveira, Ltda.
Edscha Engineering France, S.A.S.	Gestamp Ronchamp, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Washington UK, Limited
Edscha Hengersberg Real Estate, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Automotive Hengersberg, GmbH	Gestamp Vigo, S.A.
Edscha Holding, GmbH	Gestamp Umformtechnik, GmbH
Edscha Hradec, S.r.o.	Griwe Subgroup
Edscha Velky Meder, S.r.o.	Ingeniería Global MB, S.A.
Gestamp Bizkaia, S.A.	Loire S.A. Franco Española
Edscha Santander, S.A.	Gestamp Abrera, S.A.
Gestamp Toledo, S.A.	Gestamp Aragón, S.A.
Gestamp Aveiro, S.A.	Gestamp Metalbages, S.A.
Gestamp HardTech, AB	Gestamp Prisma, S.A.S.
Gestamp Hungaria, KFT	SCI de Tournan en Brie
Gestamp Linares, S.A.	Gestamp Solblank Barcelona, S.A.
Gestamp Louny, S.r.o.	Gestamp Tallent Limited
Gestamp Esmar, S.A.	Gestamp Sweden, AB
Gestamp Wroclaw, Sp. Z.o.o.	Edscha Burgos, S.A.
Sofedit, S.A.S.	Gestamp Levante, S.A.
GMF Holding, GmbH	Gestamp Funding Luxembourg, S.A.
Gestamp Global Tooling, S.L.	

Also, a pledge was arranged on shares of the subsidiaries Gestamp Metalbages, S.A., Gestamp Bizkaia, S.A., Gestamp Vigo, S.A., Gestamp Palencia, S.A., Gestamp Servicios, S.A. y Gestamp Toledo, S.A.

### Guarantors for October 2019 Schuldschein Bond issue

Gestamp Metalbages, S.A.	Gestamp Navarra, S.A.
Gestamp Palencia, S.A.	Gestamp Polska, Sp. Z.o.o.
Gestamp Servicios, S.A.	Gestamp Umformtechnik, GmbH
Gestamp Toledo, S.A.	Sofedit, S.A.S.
Gestamp Bizkaia, S.A.	Gestamp Tallent, Ltd.
Gestamp Vigo, S.A.	

### Guarantors for Caixabank, S.A. Loan March 2020

Gestamp Servicios, S.A.	Gestamp Cerveira, LDA.
Gestamp Bizkaia, S.A.	Gestamp Umformtechnik, GmbH
Gestamp Navarra, S.A.	Gestamp Tallent, Ltd.
Gestamp Palencia, S.A.	Gestamp Polska, Sp. Z.o.o.
Gestamp Metalbages, S.A.	Sofedit, S.A.S.
Gestamp Aveiro, LDA.	

### Guarantor Companies for the Loan from Instituto de Crédito Oficial, Entidad Pública Empresarial, July 2020

Edscha Automotive Hengersberg, GmbH	Sofedit, S.A.S.
Edscha Holding, GmbH	SCI de Tournan en Brie
Griwe Subgroup	Edscha Engineering France, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Prisma, S.A.S.
Gestamp Umformtechnik, GmbH	Gestamp Hungaria, KFT
Edscha Hauzenberg Real Estate, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Hengersberg Real Estate, GmbH	Gestamp Wroclaw, Sp. Z.o.o.
Edscha Engineering, GmbH	Gestamp Aveiro, S.A.
Gestamp Servicios, S.A.	Gestamp Cerveira, Ltda.
Gestamp Navarra, S.A.	Gestamp Vendas Novas Unipessoal, Lda.
Gestamp Bizkaia, S.A.	Edscha Automotive Kamenice, S.R.O.
Gestamp Metalbages, S.A.	Edscha Hradec, S.r.o.
Gestamp Esmar, S.A.	Gestamp Louny, S.r.o.
Gestamp Palencia, S.A.	Gestamp Tallent Limited
Gestamp Abrera, S.A.	Gestamp Washington UK, Limited
Gestamp Solblank Barcelona, S.A.	Edscha Velky Meder, S.r.o.
Loire S.A. Franco Española	Gestamp HardTech, AB
Gestamp Aragón, S.A.	Gestamp Sweden, AB
Gestamp Linares, S.A.	Gestamp Funding Luxembourg, S.A.
Gestamp Vigo, S.A.	GMF Holding, GmbH
Gestamp Automoción, S.A.	Edscha Santander, S.A.
Ingeniería Global MB, S.A.	Edscha Burgos, S.A.
Gestamp Ronchamp, S.A.S.	Gestamp Global Tooling, S.L.
Gestamp Noury, S.A.S.	Gestamp Toledo, S.A.
Edscha Briey, S.A.S.	Gestamp Levante, S.A.





Management Discussion and Analysis of the Financial  
Condition and Results of Operations for the Twelve  
Months Period ended December 31<sup>st</sup>, 2020

Gestamp Automoción, S.A.

February 24, 2021

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# 1. GESTAMP AUTOMOCIÓN GROUP SITUATION

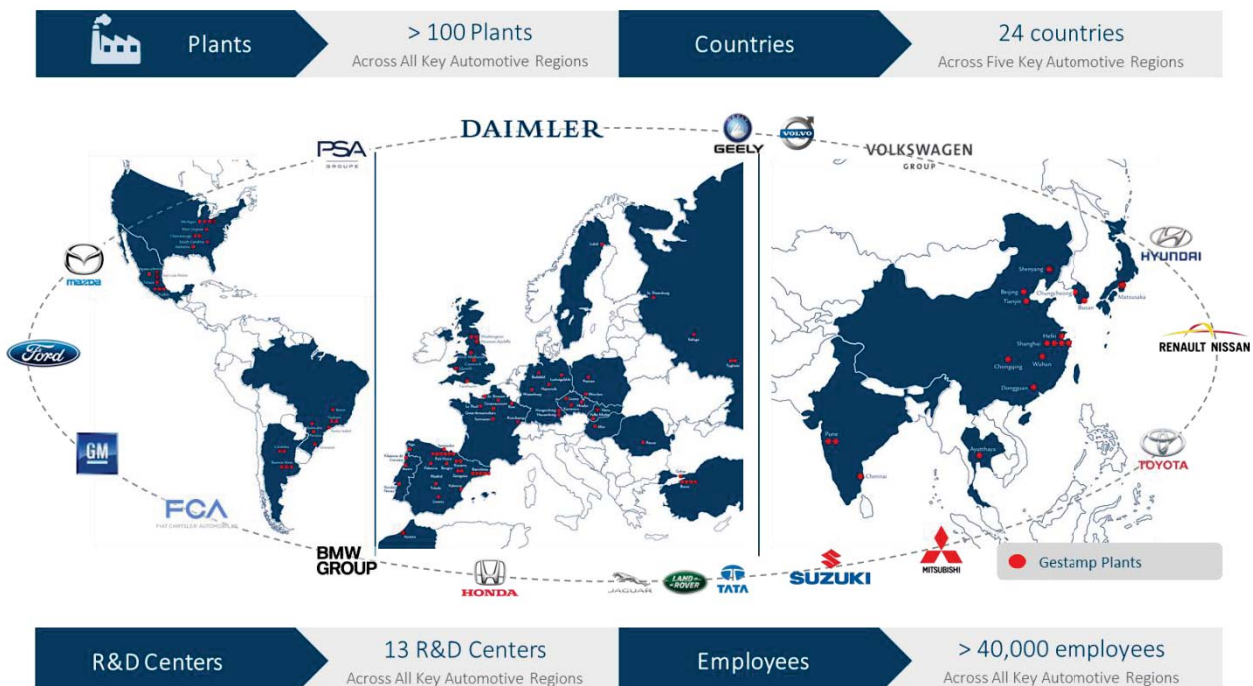
## 1.1 Business Model

Gestamp Automoción S.A. (hereafter “Gestamp” and together with its consolidated subsidiaries “the Group”) is one of the world’s largest suppliers of automotive metal components and assemblies. We are an international group focused on the design, development and manufacture of highly engineered Body-in-White, Chassis components and Mechanisms, as well as tooling & dies and other related services for the automotive industry. Our expertise and core competence in developing and producing light-weight components help our customers to reduce CO2 emissions while at the same time enhancing the safety features of their vehicles.

Since we were founded in 1997, we have cultivated strong relationships with our OEM customers by offering them leading technologies through our extensive global footprint of more than 100 production facilities in 24 countries across five regions (Europe, North America, South America, Asia and Africa), 13 R&D centres and a workforce of over 40,000 employees worldwide.

Our leading technologies, global footprint and proven track record in executing complex projects set us apart and makes us one of the industry leaders, as well as enables us to secure strong relationships with almost all major global automakers including Volkswagen Group, Daimler, PSA, Renault Nissan, Ford, BMW, Fiat Chrysler, Tata JLR, General Motors, Geely-Volvo, Toyota and Honda, which represented our top 12 customers for the year ended December 31<sup>st</sup>, 2020. We currently supply products to all top 12 OEMs globally by volumes, and we are also incorporating new customers, in line with our stated growth and diversification strategy.

The diagram below shows Gestamp’s global footprint and its main customers as of December 31<sup>st</sup>, 2020.



We continue with the same strategy as in previous years, which is to continue to be the global partner of choice for OEMs in Body-in-White, Chassis and Mechanisms. In order to achieve our goal we will continue to focus on maintaining and strengthening our technological leadership, maximizing growth on the basis of our client-oriented business model, operational excellence and efficiencies, while developing and implementing digitalization and industry 4.0 in our plants and regions.

**Client Oriented Business Model with Long-Term Strategic Axes and Pillars**

- Gestamp’s Development has been based on a **market-focused strategy supported by solid foundations**



- In years to come, **Gestamp’s strategy will not change substantially**, although there will be an **adjustment to adapt to the new CASE trends**
  - ✓ **Electric vehicle** components are a **priority** for Gestamp
- At the same time, **Gestamp will clearly opt for Digitization** to take its industrial model to the next level



(1) CASE: Connectivity, Autonomous driving, Shared mobility and Electrification

During the beginning of 2020, COVID-19 virus spread worldwide and was declared pandemic by the World Health Organization on March 11<sup>st</sup>, 2020. In response, many governments imposed quarantine, severe mobility restrictions, and other public safety measures, causing a major disruption to the economies of many countries. These measures led to a global crisis, and as a result a decline in IHS light vehicle production volumes for 2020 of -16.1% (according to IHS estimates in February 2021).

COVID-19 led to stoppages across the Group’s plants for an average of 8 weeks, significantly affecting the results for the second quarter of 2020, which resulted in a 56% decrease in revenues during the second quarter of 2020, when compared to the same period in 2019, as well as the revision of the production volume forecasts for the coming months and years.

The Group is implementing a contingency plan to adapt to this situation by taking measures to improve its liquidity position, as well as labor flexibility, improving cost efficiency, managing working capital and reducing investments. In this context, the Group announced in April it would not proceed with the complementary dividend payment scheduled for July.

Based on the new projections of the volumes of activity for the coming years, the Group has set up a transformation plan to adapt the organizational and industrial structures to the new situation and has recorded during the second quarter of 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.

## 1.2 Organizational Structure

Our organizational model is structured fundamentally in business units that focus on business development, products, processes and strategic projects, while our geographical divisions concentrate on launching industrial projects and managing production capacities, considering each production plant as an economic center.



On November 6<sup>th</sup>, 2020, the Group announced that the Board of Directors had accepted the resignation of Mr. Francisco López Peña as Chief Executive Officer (CEO) of the Company effective from January 1<sup>st</sup>, 2021. Within the new structure of the Gestamp Group, Mr. Francisco José Riberas Mera remains as Executive Chairman. Additionally, the Board of Directors approved two new management positions that will report to the Executive Chairman, (1) the Chief Operating Officer (COO), responsible for the global industrial operations of the Gestamp Group, that will be led by Mr. Fernando Macías Mendizábal, and, (2) the Chief Commercial Officer (CCO), responsible for the global commercial and customer relations, that will be led by Mr. Juan Barrenechea Izarzugaza.

## 2. COMPANY PERFORMANCE AND RESULTS

### 2.1 Macroeconomic 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.

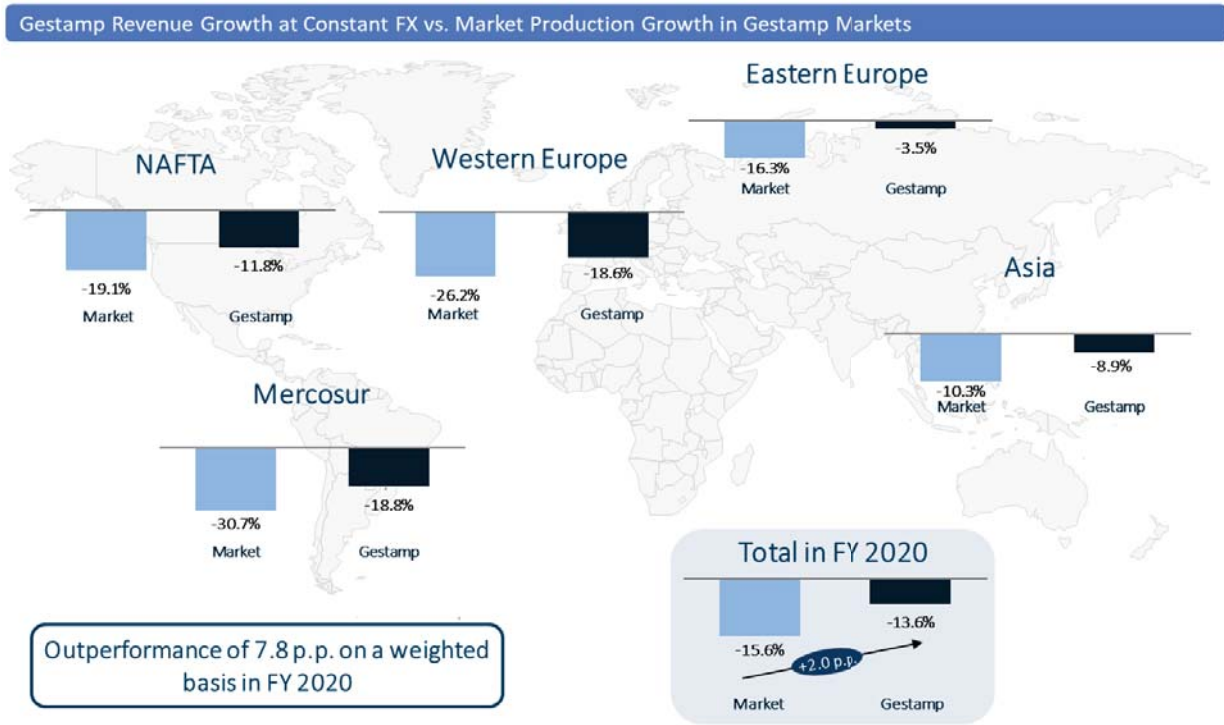
The auto sector experienced a similar trend in 2020, especially impacted in Q2, with a production volume decline of -15.6% in Gestamp's footprint (according to IHS as of February 2021). Gestamp slightly outperformed the market production volume growth on a constant currency basis by 2.0 percentage points (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%.

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).





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

## 2.2 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.

Million Euros	2020	2019
Growth capital expenditures	158.5	338.8
Recurrent capital expenditures	258.4	349.3
Intangible capital expenditures	76.9	108.1
<b>Capital expenditures (excl. IFRS 16)</b>	<b>493.8</b>	<b>796.1</b>
IFRS 16 Impact	66.6	26.4
<b>Capital expenditures</b>	<b>560.4</b>	<b>822.5</b>

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 31<sup>st</sup>, 2020, implying a 3.28x leverage ratio (Net financial debt / EBITDA excluding the expenses of Transformation Plan).

In summary, main figures in 2020 compared to 2019 are as follows:

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

In 2020, Gestamp has met all the targets guided to the market back in July with: i) an EBITDA margin (excluding the transformation plan impact) standing at 10.2% vs. the 9-10% range guided, ii) Capex excluding IFRS 16 standing at €494 million, below the €500 million targeted and iii) with a net debt excluding IFRS 16 of €2,058 million, well below the 2019's level as targeted.



## 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 & EBITDA by geographical segment

Revenues (Million Euros)	2020	2019	% Change
Western Europe	3,180.3	3,911.4	-18.7%
Eastern Europe	1,209.0	1,379.5	-12.4%
Mercosur	391.3	655.5	-40.3%
NAFTA	1,658.9	1,976.2	-16.1%
Asia	1,016.3	1,142.5	-11.0%
<b>Total</b>	<b>7,455.8</b>	<b>9,065.1</b>	<b>-17.8%</b>

EBITDA excl. Transformation Plan (Million euros)	2020	2019	% Change
Western Europe	264.9	400.3	-33.8%
Eastern Europe	183.0	212.5	-13.9%
Mercosur	9.2	83.5	-89.0%
NAFTA	155.4	220.4	-29.5%
Asia	144.7	154.9	-6.6%
<b>Total</b>	<b>757.3</b>	<b>1,071.7</b>	<b>-29.3%</b>

**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.

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:** 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.

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.

**Mercosur:** 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 being extraordinarily difficult during the year and the recovery is taking longer than in other regions.

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.

**NAFTA:** 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 than in Q4 Mexico has shown very strong momentum.

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.

**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 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.

### 3. DEBT AND LIQUIDITY

As of December 31<sup>st</sup>, 2020, Net financial debt amounted to €2,485.0 million resulting in a 3.28x leverage ratio (Net Financial Debt / EBITDA excluding the Transformation Plan) including the impact of IFRS 16. Excluding the impact, Net financial debt amounted to €2,057.7m, implying a leverage ratio of 3.08x which compared to 2.37x as of December 31<sup>st</sup>, 2019.

Million Euros	2020	2019
Non-current financial liabilities	3,750.2	3,252.7
Interest-bearing loans and borrowings and debt issues	3,254.0	2,725.5
Financial leasing	403.6	378.6
Borrowings from related parties	72.0	128.2
Other non-current financial liabilities	20.6	20.4
Current financial liabilities	1,070.8	216.0
Interest-bearing loans and borrowings	717.1	138.7
Financial leasing	75.7	73.0
Borrowings from related parties	53.3	4.3
Other current financial liabilities	224.7	0.0
<b>Gross debt</b>	<b>4,821.0</b>	<b>3,468.7</b>
<b>Net financial debt</b>	<b>2,485.0</b>	<b>2,721.6</b>
EBITDA	757.3	1,071.7
Leverage ratio ( <i>Net Financial Debt / EBITDA</i> )	3.28x	2.54x
Leverage ratio (excluding IFRS 16)	3.08x	2.37x

Our long-term indebtedness primarily consists of €461 million in senior secured notes issued in 2016 and with maturity in 2023, €393m in senior secured notes issued in 2018 and with maturity in 2026, €145m senior secured notes (Schuldschein bond) issued in 2019, €918 million in long-term portion of a funded senior secured amortizing Term Loan (part of the Senior Financing Agreement, or “SFA”, originally syndicated on April 19, 2013), €360 million in long-term debt with the European Investment Bank and €977 million of aggregate principal amount in other long-term bilateral financing.

Million Euros	2020	2019
Cash and cash equivalents	2,304.6	658.5
Current financial investments	31.4	88.5
Revolving credit facilities	0.0	325.0
Undrawn credit facilities s/t	302.4	367.6
Undrawn credit facilities l/t	235.0	378.5
<b>Total</b>	<b>2,873.4</b>	<b>1,818.1</b>

Gestamp’s main source of liquidity is its operating cash flow. Net cash flows from operating activities were €880.4 million in 2020. In addition, as part of its Senior Facilities, by 31 of December, 2019 Gestamp had a revolving credit facility amounting to €325 million with maturity in 2023 fully drawn down by 31 December 2020, as well as €235.0 million in credit lines with expiration of over 12 months that were also undrawn by December 31<sup>st</sup>, 2020 and €323.8 million in credit lines with maturity of less than 12 months, of which €21.4 million were drawn as of December 31<sup>st</sup>, 2020. These credit lines are generally renewed each year, do not have any security and have customary covenants.

## 4. FORESEABLE EVOLUTION OF THE COMPANY

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 31<sup>st</sup>, 2020 Gestamp's order book covers more than ~~95~~90% of the targeted revenues for the period up to ~~2023~~2023 implying a solid pipeline which will result in an outperformance 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.

## 5. RISK MANAGEMENT

### 5.1 Main Risks and Uncertainties

To deal with the risks and uncertainties inherent to the activity carried out by Gestamp in the different countries in which it operates, the Group has a Risk Management Policy and Comprehensive Risk Management System (hereinafter, "CRMS"). This CRMS aims to identify, assess and respond to eventual contingences that could affect the achievement of the Group's objectives, if they are materialized.

Gestamp's CRMS is based on the best corporate risk management practices set out in the ISO 31000 standard and the COSO framework (Committee of Sponsoring Organizations of the Treadway Commission) for Risk Management (known as COSO ERM). Good Governance Code of listed companies and the Technical Guide 3/2017 on Audit Committees of Public Interest Entities have also been taken into consideration.

Thus, the CRMS Policy, approved by Gestamp's 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 CRMS 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, who are responsible for identifying, assessing and monitoring the risks that jeopardize compliance with their aims.
- The Risk Committees, which ensure that risks are kept at an acceptable level and report to the Audit Committee.
- The Board of Directors and Audit Committee in monitoring and following up on the CRMS.
- The Internal Audit and Risk Management Direction, which supports the Audit Committee and coordinates the risk identification and assessment processes, as well as the Risk Committees.

Every year in a recurring basis: (i) the risk assessment scales (impact, occurrence likelihood and control effectiveness) are reviewed and approved, (ii) the Corporate Risk map is updated from a residual perspective, this is (considering the controls that Gestamp has already implemented to mitigate the possible effects of these risks), and (iii) the monitoring of the different indicators defined to measure the risks.

The CRMS, along with the risk control and management policies and systems of Gestamp that implement it, have taken effective and anticipatory action on the risks and, where necessary, drawn up the relevant action plans.

In this regard, two risk mitigation and response levels can be determined: global elements and activities that are part of the risk management at corporate level and other individual ones that respond to each specific risk.

Among the global management elements and activities are the Group's Code of Conduct, the work performed by the Ethics Committee – organizational body depending on the Board of Directors which supervises the fulfillment of the Code of Conduct –, the Whistleblower Channel, along with other mechanisms defined on the CRMS Policy.

In terms of individual risk, the Group has response, management and monitoring plans in line with the characteristics of each specific risk. These response, implemented at operational level, which work continuously throughout the day, are embedded within the company's systems and processes, and ensure that operational activities carried out are aligned with the Group's aims and targets.

In this sense, the Group currently has various organizational units and departments that analyze, continuously monitor and provide a response in various areas specialized in risk management. These units and departments form part of the Group's CRMS and are represented on the Risk Committees.

The main risks faced by the Group in 2020 have not changed substantially from those identified in previous years although the following risks have become more relevant due to the current environment: the risk of people's health and safety, the risk of application security and cybersecurity, the risk of interrupting the supply chain of the customers, the financial risks and the risk associated to the uncertainty regarding the forecast of the volume of sales of vehicles.

The emergence of the COVID-19 pandemic in 2020 has generated not only a health crisis, but also an economic crisis, for which the Group has implemented a comprehensive contingency plan, with the aim of ensuring the viability of the Gestamp project in the long-term.

Listed below are the risks to which the Group is exposed, due to its activity, the sector in which it is carried out its activity and the environment in which it operates, and which could adversely affect the achievement of the Group's objectives. They are grouped according to the risk categories defined in the CRMS Policy (operational, strategic, financial, compliance and reporting):

### **Operational risks**

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, always prioritizing the maximum protection of people.

- **Risk 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 the plants, regardless of their geographical location.

As a consequence of the COVID-19 pandemic, the Group has implemented a protocol with strict preventive measures and has included a guide on how to act at all times, both in plants and in offices, in order to protect our employees and their families, avoiding the spread of the virus.

The main objective of this protocol, implemented in all the Group's plants and offices, has been to protect the health and safety of employees and their families while ensuring business continuity.

- **Be a cause of interruption to the supply chain of the customers**

In order to mitigate this risk Gestamp takes action on the various factors that could cause such interruptions. Among other actions, purchasing strategies are developed geared towards avoiding single supplier situations, supplier's services are monitored and quality assessments are performed periodically; there is a Health and Safety Policy and a Comprehensive Prevention System; on security robustness is worked proactively, protecting the Company's assets and systems from potential cyberattacks; on a regular basis machinery load and capacity studies and facility maintenance are carried out; and ensures that our facilities comply with the local building requirements and recommendations on prevention.

The Group reacted quickly to an unprecedented market disruption due to COVID-19. Thus, the early experience in China, the country in which the Group operates, served as a lesson learned both from a health and safety, and from an operations point of view for the rest of the production units in all countries. 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 linked 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 customers. Furthermore, there is

a quality management system that helps to make good use of those controls and to act as quickly and effectively as possible.

These quality management systems help Gestamp continuous improvement, focusing on the customer, promoting prevention against detection, with the consequent reduction of defects and waste in the supply chain, in a sustainable and safe way. Similarly, Gestamp has a procedure for sharing best practices throughout the Group, ensuring continuous improvement and continuous updating of the quality management systems.

- **Variances in the profitability of projects**

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.

- **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 of the forecasts of sales volumes of vehicles in the medium / long term**

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



easing 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.

### **Strategic risks**

- **Concentrating the business on a specific number of customers**

The automotive sector is highly concentrated on a specific number of great groups of customers. As regards this type of risk, at Gestamp it is performed a detailed monitoring of orders and sales and it is sought and achieved to diversify, to all the possible the customers and product portfolios.

- **Environmental risks and Climate Change**

As an integral part of the automotive sector, Gestamp considers that the environmental impact must be analyzed from the perspective of a vehicle's life-cycle beyond the direct impact generated purely on 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 in the investigation of new materials and technologies related to reducing CO2 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 to hold onto competitive advantage and offering the customers the adequate products according to their needs. At Gestamp, different actions are undertaken in this sense, such as participating in co-development with customers, holding Executive R&D Committees and several digitization and Industry 4.0 initiatives.

- **Political and economic instability in the different countries where Gestamp operates**

Gestamp monitors the geopolitical situation (by analyzing the political, economic and social context of the countries in which the Group operates) in order to include the effects of the potential instability into the Group's forecasts and into the strategic and operational decisions.

### **Financial risks**

- **Risks associated with fluctuations in the financial markets and financing, mainly associated with forex, interest rates and raw materials**

The financial risk to which Gestamp's activity is exposed, and their respective mitigating actions, are detailed in the related paragraph in the notes to the Financial Statements. In summary, to manage the main risks of this nature, the Group, among other measures:

- considers the use of derivative financial instruments, both on exchange and interest rates,
- regarding interest rates, additionally, seeks a balance between security and the level of financial costs, and its adaptation to the economic cycle, through the combination of fixed and variable rates in the debt,
- regarding the fluctuations in commodities prices, most of the steel is acquired through “re-sale” agreements with the customers, in which it is the vehicle manufacturer who negotiates periodically with the steel supplier, the price applicable to the Group purchases of the steel that will be subsequently employed in the production of the parts for the vehicles. With other part of the customers, the sale prices for the Group’s products are adjusted based on the variation of the steel prices that the customers agree with the supplier, or in relation to public indexes, or according to eventual negotiations at parties’ initiative.

### **Compliance risks**

- **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 materializing and to reduce their potential impact, at Gestamp among other actions: a regulatory changes that may affect the activities are continuously monitored, in order to encourage their timely, conscious and responsible compliance, and anticipate possible changes, in order to manage them properly. Likewise, the Group has a Crime Prevention Model, approved by the Board of Directors.

### **Reporting risks**

- **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.

## 6. NON-FINANCIAL INFORMATION STATUS

In accordance with Law 11/2018, of 28 December, which modifies the Code of Commerce, the revised text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of 2 July, and Law 22/2015, of 20 July, on Auditing, regarding non-financial information and diversity, the most significant aspects of the 2020 financial year are set out below.

This section has been prepared following the international *Global Reporting Initiative* (GRI) selected standards. The table of contents required by Law 11/2018 is included in relation to the GRI standards applied, the materiality and verification carried out.

In addition, the Annex includes the Report by EY, the company that verified the information by following:

- The Action Guide on assignments to verify non-financial information statements issued by the ICJCE (Spanish Institute of Certified Public Accountants).
- The *ISAE 3000 Standard (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 limited assurance.

### 6.1 Context of Sustainability

Sustainability is a strategic pillar within the Group and it is seen as a long-term business model that seeks to create value for all stakeholders.

The company pursues economic, social and environmental goals in equal parts and has a strategy in place to enable it to meet the main market standards and to align with the trends, demands and interests of its 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. Its parts are essential for the safety, weight, dynamics, stability and comfort of vehicles.

The company is committed to working towards increasingly safer and lighter vehicles.

- Security 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 it produces in order to improve energy consumption and to reduce the environmental impact of vehicles.

The company also promotes 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 itself with the sustainability policies and strategies of its clients and seeking the same level of commitment from its suppliers.
- **Society:** by participating in different forums and organisations and by fostering actions for the economic and social development of the communities where it works.

Based on these premises, it has developed its Sustainability Policy which is in line with its business strategy and the United Nations Sustainable Development Goals.

### Strategic Objectives:



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



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.



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

### Priority objectives:



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

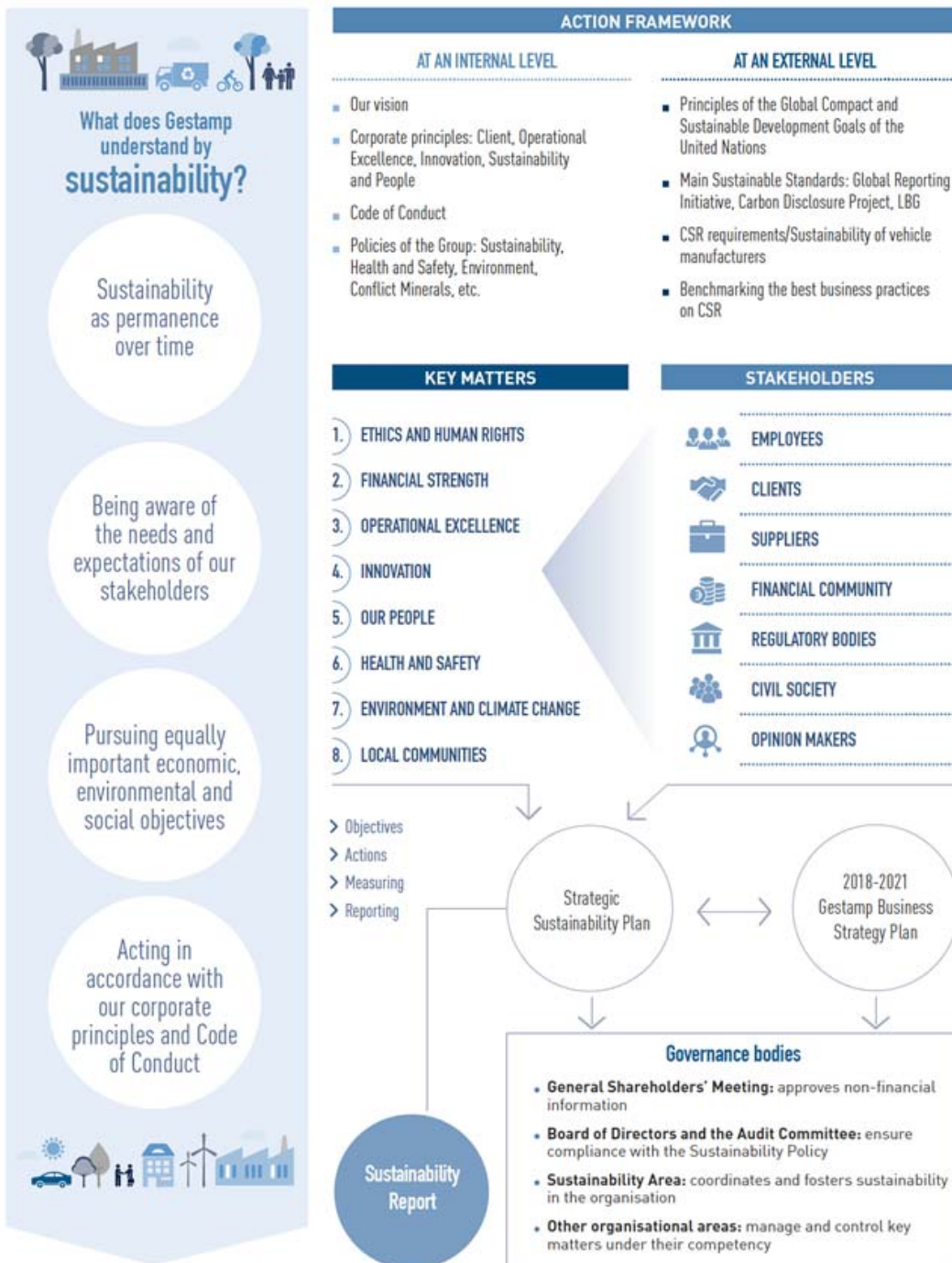


We collaborate with our stakeholders to achieve better results together.



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

## Sustainability Model



## Materiality

Gestamp has undertaken an assessment during 2020 in order to evaluate the aspects that are more material for the reporting of the Group's non-financial information, based on the expectations and demands of our stakeholders and the priorities established by the company in the short, medium and long term.

This year, the assessment was based on issues of the SASB (Sustainability Accounting Standard Board) matrix, as they are the ones mainly used by analysts and specialist investors in ESG (environment, social, governance) and, specifically, that are directly applied to the automotive components sector. In addition to these issues, we have included other aspects that were not provided for by the SASB but are deemed material under Law 11/2018 and/or the GRI.

This assessment has allowed us to identify possible gaps and opportunities for improvement regarding the sustainability regulations and standards, client requisites, and the main rating agencies.

In total, 29 important issues grouped into 5 categories have been evaluated, which, according to the weight of each stakeholder (according to their direct impact on business, regulatory and reputational compliance), we have obtained a level of importance of each one for the Group and its interest groups, which is reflected in the following graphic.

**29 Important Sustainability Issues identified by Gestamp**

ENVIRONMENT	SOCIAL CAPITAL	HUMAN CAPITAL	BUSINESS MODEL AND INNOVATION	LEADERSHIP AND GOVERNANCE
GHG emissions management	Human rights	Labour practices	Product Design & Lifecycle Management	Competitive behavior
Air quality	Community relations	Employee health and safety	Business Model Resilience	Regulatory Compliance
Energy management: energy efficiency	Client privacy	Employee engagement, diversity and inclusion	Supply chain management	Critical Incident Risk Management
Water and wastewater management	Information security	Development and training	Materials Sourcing & Efficiency	Good corporate governance practice
Waste and hazardous material management	Product or service access and affordability		Physical impacts of climate change	Fiscal responsibility
Ecology and biodiversity	Product quality and safety			
Responsible use of materials and components	Client satisfaction			
	Selling practices and product labelling			



The company is preparing a new 2021-2025 Strategic Plan.

We are currently continuing with the 2021 Plan, the strategic areas of which are:

### Strategic Areas

**1. Integrity and responsibility in our action**

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

**2. Operational excellence**

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

**3. The best professionals**

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

**4. Minimise environmental impact and climate change**

Reduce the environmental impact on both operations and products.

**5. Economic development and social welfare of local communities**

Strengthen relations with the local communities where it conducts business.

**6. Transparency in communication with stakeholders**

Strengthen relations with stakeholders and, as a consequence, improve the company's reputation with them and the trust placed in the Group.



## 6.2 Environmental Issues

Gestamp's environmental management is comprehensive, applying environmental criteria in all its stages from the design, development and manufacture of its products, as well as the selection of suppliers.

### Policy

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:

- The implementation and maintenance of a certified Environmental Management System in accordance with international standards (ISO 14.001 and/or EMAS).
- The quarterly report of the main environmental aspects through a management tool that allows monitoring environmental performance, identifying improvements and mitigating risks, as well as 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, who audits it and carries out an exhaustive follow-up of its evolution in each of the centres.

The Group also has a control of the absolute data, a series of key indices:

- WPI. Waste Production Index
- WMI. Waste Management Index
- WCI. Water Consumption Index
- EEI. Energy Efficiency Index
- CO2 EI. CO2 Emission Index

### Certifications and human, technical and economic resources

At 31 December, 90% of the Group's plants were certified under standard ISO 14001:2015 and/or EMAS, and three new production centres have been incorporated into the Group through construction or acquisition compared to the previous year. Due to the halt and restrictions on movement as a result of COVID-19 to ensure the safety of workers, Gestamp has obtained in 2020 only one of the four new certificates sought. That has also altered the company's certification objective: in accordance with the Environmental Policy, newly incorporated plants have a two-year period in which to be certified. However, given the current situation, the internal objective of certifying all plants, considering the scope of 2019, has had to be put back to 2024.

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 undertaken remotely, as they could not be carried out in person.



Gestamp has a professional team dedicated to complying with environmental requirements both at the corporate level and at each of the plants. The environmental specialists 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 thousand euros gross at year-end 2020, while at year-end 2019 said investments amounted to 5,096 thousand euros.

The expenses incurred in 2020 in relation to the protection and improvement of the environment amounted to 1,091 thousand euros, compared to 1,114 thousand 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, the Group has had only one incident in Gestamp Ronchamp (France) due to a chemical substance spill that was solved without requiring the activation of guarantees under the Environmental Responsibility Policy that the Group has taken out. The analysis of this kind of events has allowed the company to establish prevention and correction measures.

## **Greenhouse Gas (GHG) Emissions - Climate Change**

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

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

These objectives regard 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.

To achieve this, the company has the following lines of action:

- **Risk and Opportunity 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 CO2 emissions, as less weight means less fuel consumption and fewer emissions during the vehicle's useful life.

### **Risk and Opportunity analysis and assessment**

During 2020, Gestamp has continued the analysis and evaluation of the risks and opportunities of climate change that affect 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:

#### 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.
- Improving energy efficiency and cost reduction as a result of regulations in this regard.

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

### GHG environmental impact management

Since 2006, Gestamp monitor quarterly the Carbon Footprint of all our productive centers. Each site reports in a database its energy consumption and, with this information, we calculate the Carbon Footprint for each site and the global Carbon Footprint for the entire Group according to GHG Protocol standard and IPCC instructions.

#### Energy consumption

The Group's energy expenditure includes the consumption of all energy sources (electricity, natural gas, diesel and LPG). The direct and indirect energy consumption throughout 2020 is detailed below.

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

To find out the evolution of energy efficiency in the Group, Gestamp uses an Index that relates energy consumption to added value. As a result of the business downturn in 2020, added value reduced to a greater degree than the reduction in energy consumption and, as such, the Index increased this year.

Evolution of the Energy Efficiency Index	2018	2019	2020
Energy Efficiency Index (MWh consumed gas, diesel, LPG and electricity/€100,000 of added value)	61	60	66

#### 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 CO<sub>2</sub> emissions (in relative terms) thanks to improved environmental management and process improvement.

Greenhouse gas emissions (TnCO <sub>2</sub> eq)	2018	2019	2020
Direct Emissions: Scope 1	233,720	249,717	223,155
Indirect Emissions: Scope 2	425,938	429,417	389,911

SO <sub>2</sub> and 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

VOC's (Tn) Emissions	2019	2020
VOC's Emissions	222	203

Internally, Gestamp has the CO2 Emissions Index (defined as tCO2 Scope 1 and 2 / €100,000 AV) as a tool to assess our Group-level performance in relative terms of emissions. As a result of the business downturn in 2020, added value reduced to a greater degree than the reduction in CO2 emissions and, as such, the Index increased this year.

Evolution of the CO2 Emission Index	2018	2019	2020
CO2 Emission Index (tonnes of CO2 emissions/EUR 100,000 of added value)	23	22	24

### Reporting on GHG

The Group voluntarily reports its emissions performance annually through the international *Carbon Disclosure Project (CDP)* initiative. In 2020, Gestamp has held on to its 'B' score, above the average of companies in the metal sector, which have a 'C' score.

CDP 2020 Climate Score	Score (A, B, B-, C, C-, D, D-)
Gestamp	B
Average of Metal Sector Companies	C

CDP 2020 Supplier Engagement Rating	Score (A, B, B-, C, C-, D, D-)
Gestamp	A-
Average of Metal Sector Companies	C

### Energy efficiency

Gestamp has a global energy efficiency project, which monitors the instant consumption of electricity and gas in equipment and facilities individually. The analysis of this information along with the study of existing best practices in the Group and the exchange of acquired knowledge are making it possible to adopt new energy saving measures and, consequently, to set objectives and involve all levels of the company's organisation.

In 2020, 40 plants were part of the Gestamp Energy Efficiency initiative, an increase of around 18% compared to the number of participants last year.

The 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. This reduction in consumption is equivalent to a reduction of 5,400 tonnes of CO2.

In 2021, the Group will consolidate the initiative, achieving a high degree of maturity in the European plants and implementing improvements in the North American and Chinese plants.

### **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 scope 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 production 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 electricity consumed by the Group is renewable, which equates to a saving of 4% of the CO<sub>2</sub> emissions arising from such use that would otherwise be released into the atmosphere.

Furthermore, in 2020 solar panels have been installed on the production plants of Gestamp Chennai (India) and Dongguan (China) for self-consumption, corresponding to 10% and 15%, respectively, of the energy used.

### **Technological and R&D capacity**

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

For the Group, creating increasingly lighter products is one of the most important factors, as weight has a direct impact on energy consumption and, therefore, on CO<sub>2</sub> emissions, the regulations of which are becoming increasingly restrictive.

To this end, Gestamp is working on:

- **Research and application of new materials** that are available worldwide with consistent quality (in addition to traditional steel, aluminium, carbon fibre and new high-strength steels, as well as multi-material hybrid structures)
- **Efficient and flexible production processes** throughout the production chain, all at a viable cost using appropriate technology for each case.
- **Investment in hot stamping technology**, one of the most advanced technologies for making the body-in-white structure of vehicles lighter and for improving its performance and passenger safety in the event of a collision. Gestamp is currently the biggest worldwide supplier of hot stamping products, covering the entire value chain, including the manufacture of its own dies and press lines. At 31 December 2020, the Group had 96 hot stamping lines installed at its production plants.

- **Collaboration on future electric and hybrid cars**, electric and hybrid cars have a battery, whose box exceeds the weight of the combustion engine. This forces manufacturers to use increasingly lighter solutions to counteract the additional weight. Gestamp's experience in developing lighter and safer parts, as well as its ongoing investment in R&D, means it can anticipate these future trends in the sector and, therefore, it is already working with its customers' large global electric and hybrid car platforms.

In addition, the Group has a dedicated R&D team of approximately 1,600 people distributed among the 13 R&D centres and in production plants. Many projects see the participation of not only R&D engineers, but also stamping, tooling, welding and quality engineers, whose contribution is invaluable throughout the entire development process.

### Circular Economy-Waste Prevention and Management

Gestamp has implemented a circular economy model according to which responsible management practices encourage segregating, reusing, recycling and recovering the vast majority of our waste.

The recycling/reuse rate of the Group is high, as 98% of the total waste ends up being recycled, reused or recovered for energy.

Final Destination of Waste	2018	2019	2020
Recycling	84%	97.9 %	97.4%
Reuse	14%	0.3%	0.3%
Landfill	0%	0.5%	0.6%
Energy recovery	1%	0.3%	0.3%
Other	1%	0.9%	1.4%

*\*Including scrap metal*

Through the environmental indicator, Gestamp monitors the amount of hazardous and non-hazardous waste generated, the cost of its management and its final destination.

97% of the waste is non-hazardous, 98% of which is scrap metal. Scrap metal is a waste product that is 100% recyclable, as it is reintroduced into the steel production process and contributes to closing the life-cycle of the product, following a Circular Economy model. As regards hazardous waste, the most common types are contaminated water, mud, used oils and contaminated material (cloths and gloves stained mainly with oil).

At the Group level, two Indices are used that allow the company to know the evolution of waste generation and management based on added value. As a result of the business downturn in 2020, added value reduced to a greater degree than the reduction in waste and, as such, the Indices increased this year.

Waste Production Index Evolution	2018	2019	2020
Waste Production Index (tons of waste/€1,000,000,000 of added value)	15	15	21

Waste Management Index Evolution	2018	2019	2020
Waste Management Index (cost of waste management in thousands of euros/€10,000,000 of added value)	17	17	19

## Sustainable Use of Resources

### Water

Water is a limited natural resource, and while not being intensive in its use, Gestamp has savings and efficiency plans.

Water consumption in Gestamp's production plants mainly corresponds to domestic use. In plants where surface treatment processes are carried out, such as painting or galvanised finishing or parts or hydroforming processes, there is an industrial use of water. Only 27% of the Group's production centres have such a process. These systems are, in all cases, closed circuit so that water is reused for long periods of time. During 2020, the Group reduced water consumption in the production processes due to the stoppages in activity caused by the COVID-19 crisis. However, the use of water in cleaning and disinfecting work to prevent 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

Water Consumption Index Evolution	2018	2019	2020
Water Consumption Index (m <sup>3</sup> of water consumed /100,000 euros of added value)	57	56	61

In addition, since 2015, Gestamp has completed the CDP Water Disclosure questionnaire, which is specifically regarding water issues, publicly disclosing its water footprint and providing information on the different aspects of managing this resource. The rating obtained in the CDP Water 2020 was "B-", where the average for Companies in the Metal Sector was a "B-".

CDP 2020 Water Score	Score (A, B, B-, C, C-, D, D-)
Gestamp	B-
Average of Metal Sector Companies	B-

## Raw materials

The manufacture of Gestamp parts requires the use of raw materials (steel, non-ferrous metals, as well as auxiliary materials (e.g. 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.

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%	99%	96%
Aluminium		1%	3%
<b>Other procured materials:</b>	<b>1%</b>	<b>1%</b>	<b>1%</b>
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%

## Biodiversity Protection

All Gestamp production plants are located in urban and industrial areas and comply with all the applicable land use regulations.

During 2020, Gestamp has continued the management work started with the study conducted in 2019 on the situation of its production centres in relation to nearby protected areas. The study has concluded that, although 69% of the Group's plants are located in an area close (<5km) or adjacent to a protected natural environment, given the characteristics of the production processes, the risk of affecting the natural environment is very low in 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 pour their waters into public waterways. Only 8 plants of the Group meet these conditions and, through internal audits, the company carries out the necessary control to ensure that they have implemented an accident/environmental incident prevention plan that minimises the occurrence of a possible event.



Furthermore, through the environmental indicators, the undertaking of good practices related to biodiversity at these plants located in sensitive areas is monitored and fostered.

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.

In the same way, Gestamp carries on actively and voluntarily participating in the EU Business @ Biodiversity Platform, within the Directorate General of the European Commission, a forum that aims to work with and help companies integrate natural capital and biodiversity considerations into business practice.

## 6.3 Social and personnel-related matters

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, downsizing of staff, standardisation of processes, training on new technologies, talent management and boosting corporate culture.

### Policy

The Human Resources and Organisation Department manages organisational structures and people at corporate level, as well as at divisional, regional and production centre level through the following areas:

- **Planning, analysis and metrics** that allow Gestamp to make decisions on the personnel requirements and the most suitable profiles at any given time.
- **Diversity and Equal Opportunities** among employees so that they are guaranteed and encouraged.
- **Compensation and Benefits** based on the same common model for the Group, which is mainly linked to the level of responsibility of the position, profile, duties, performance of the people and takes into consideration the reality of the different geographical areas where Gestamp operates.
- **Labour relations** developed in accordance with the labour and union legislation applicable in each geographical area and any existing collective bargaining.
- **Talent Management** which identifies and monitors people talent with a view to promotion and/or mobility within the organisation.
- **Training and Development** on the skills necessary for people to perform well in their jobs and develop new skills in critical areas for business in the medium and long term, and also on leadership skills to fill key positions in the future.
- **Occupational Health and Safety** are integrated at all levels of the organisation from day-to-day tasks to company decisions so as to ensure safe working conditions and facilities.

The year 2020 has been dominated by the COVID-19 pandemic and, as such, one of the organisation's main points of focus has been on guaranteeing the health of employees and taking strict measures to protect them in all work sites, both in the production plants and in the different offices the Group has around the world.

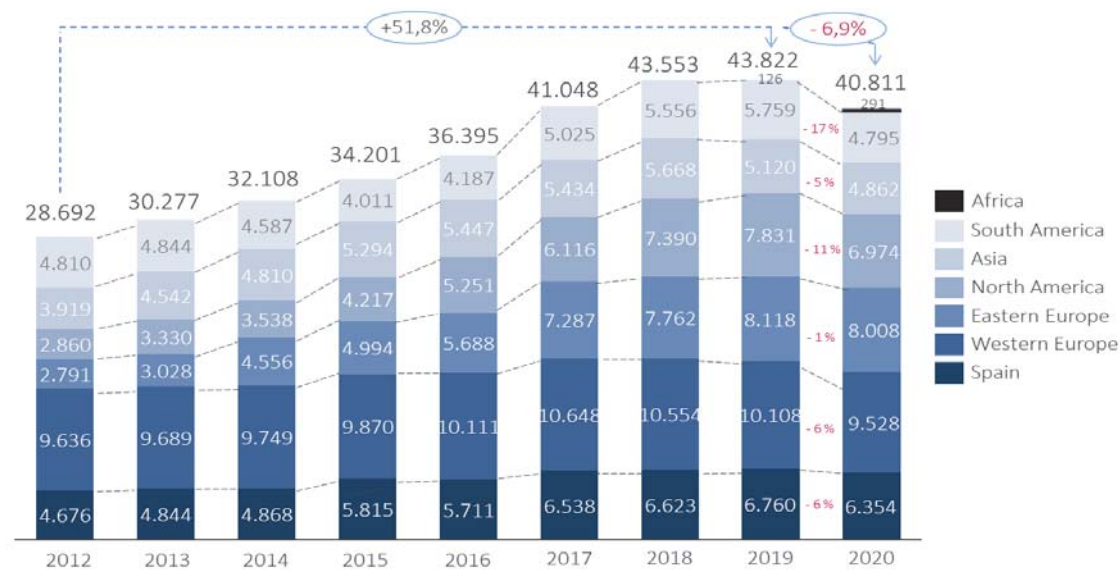
Due to the health crisis and the large-scale lockdowns experienced, much of the activity of the production plants has been affected by stoppages, which has led to a fall in income. The company reacted quickly to this situation, firstly adopting flexible internal working measures (bringing forward holidays, working-hour periods, etc.) and reducing external services (temporary employment agencies and outsourcing) relating to such activity. Furthermore, significant reductions in the salaries of the Group's executives of different areas were also made.

Subsequently, local temporary-layoff measures were implemented in order to match the production capacity of the plants to the needs of the clients, generating savings in costs. 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 downturn in activity during 2020 and the expected decline in vehicle sales for 2021, along with the temporary measures previously mentioned, a workforce reduction plan has been implemented (internal and external) in order to have the precise number of staff on hand for the volume of work expected in each area.

## Employment

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



\*Workforce on the above chart as of the December 31 of each year

At year-end 2020, in addition to the 40,811 company employees, 5,437 people from temporary employment agencies worked for the Group, a figure that recovered gradually in the second-half of the year as production resumed.

### Percentage of employees on temporary layoff programmes\*

Country	April	May	June	July	August	September	October	November
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.

### Distribution of employees by country, gender and age

Country	2019	2020	Men	Women		<=20	21 - 25	26 - 35	36 - 45	46 - 55	56 - 65	>=66	
Argentina	970	873	814	93%	59	7%	0	12	176	409	214	61	1
Brazil	4,789	3,922	3,359	86%	563	14%	102	459	1,498	1,417	371	71	4
Bulgaria	115	115	86	75%	29	25%	1	13	28	24	41	8	0
China	3,988	3,787	3,076	81%	712	19%	43	291	1,796	1,254	343	60	0
Czech Republic	1,498	1,643	986	60%	657	40%	96	213	452	421	294	166	1
France	1,617	1,618	1,320	82%	298	18%	16	68	265	467	595	206	1
Germany	4,373	4,194	3,774	90%	420	10%	149	195	791	904	1,134	1,010	11
Hungary	534	553	379	69%	174	31%	9	30	156	153	145	60	0
India	793	774	738	95%	36	5%	2	54	546	141	29	1	1
Japan	78	80	62	78%	18	22%	2	4	24	29	16	5	0
Mexico	3,738	3,154	2,340	74%	814	26%	78	458	1,460	823	310	25	0
Morocco	126	291	252	87%	39	13%	24	146	109	9	0	3	0
Poland	1,131	1,076	844	78%	232	22%	27	126	408	379	93	42	1
Portugal	1,367	1,296	829	64%	467	36%	11	135	388	399	287	76	0
Romania	451	329	173	53%	156	47%	3	43	115	80	70	18	0
Russia	630	543	435	80%	108	20%	0	32	283	169	51	8	0
Slovakia	380	349	228	65%	121	35%	5	26	102	115	72	29	0
South Korea	232	195	183	94%	12	6%	0	3	67	70	49	6	0
Spain	6,760	6,354	5,284	83%	1,071	17%	9	178	1,118	2,073	2,278	695	3
Sweden	311	248	215	87%	33	13%	0	4	61	56	90	37	0
Taiwan	18	17	14	82%	3	18%	0	0	2	6	3	5	1
Thailand	11	9	2	22%	7	78%	0	3	2	3	1	0	0
Turkey	3,379	3,400	3,202	94%	198	6%	20	255	1,674	1,175	265	11	0
United Kingdom	2,440	2,172	1,956	90%	216	10%	48	127	468	415	601	484	29
United States	4,093	3,820	3,009	79%	811	21%	79	386	1,076	874	856	521	28
<b>Total Gestamp</b>	<b>43,822</b>	<b>40,811</b>	<b>33,559</b>	<b>82%</b>	<b>7,253</b>	<b>0%</b>	<b>724</b>	<b>3,261</b>	<b>13,065</b>	<b>11,864</b>	<b>8,208</b>	<b>3,608</b>	<b>81</b>
							2%	8%	32%	29%	20%	9%	0%

**Distribution of employees by type of contract and country**

Country	Total own workforce	Open ended	Fixed term	Apprentices	Internship	Total Temporary Agencies	Total Own & Temporary
Argentina	873	867	6	0	0	0	873
Brazil	3,922	3,873	26	16	7	265	4,187
Bulgaria	115	115	0	0	0	16	131
China	3,787	3,488	298	0	1	673	4,460
Czech Republic	1,643	1,200	439	3	1	340	1,983
France	1,618	1,578	6	34	0	424	2,042
Germany	4,194	3,790	259	142	3	219	4,413
Hungary	553	553	0	0	0	0	553
India	774	730	33	4	7	479	1,253
Japan	80	76	4	0	0	9	89
Mexico	3,154	2,904	250	0	0	250	3,404
Morocco	291	61	223	0	7	0	291
Poland	1,076	712	341	18	5	280	1,356
Portugal	1,296	911	369	11	5	351	1,647
Romania	329	329	0	0	0	0	329
Russia	543	532	11	0	0	11	554
Slovakia	349	268	81	0	0	4	353
South Korea	195	193	2	0	0	30	225
Spain	6,354	5,621	665	17	51	656	7,010
Sweden	248	240	8	0	0	5	253
Taiwan	17	17	0	0	0	0	17
Thailand	9	9	0	0	0	18	27
Turkey	3,400	3,400	0	0	0	0	3,400
United Kingdom	2,172	2,093	12	67	0	397	2,569
United States	3,820	3,763	29	19	9	1,009	4,829
<b>Total Gestamp</b>	<b>40,811</b>	<b>37,323</b>	<b>3,062</b>	<b>331</b>	<b>96</b>	<b>5,437</b>	<b>46,248</b>
		91.5%	7.5%	0.8%	0.2%		

**Classification by type of labour**

With regards to the type of employment, the Group has set out 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, with the same proportionality 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.

**Average number of employees by type of contract and professional classification\***

**2019**

Type of contract	Direct Labour	Indirect Labour	Staff Labour	Total
Open Ended (FT)	13,450	10,479	7,469	31,399
Open Ended (PT)	140	76	155	371
Fixed Term (FT)	2,266	981	474	3,721
Fixed Term (PT)	184	82	62	328
Apprenticeship (FT)	37	261	84	382
Apprenticeship (PT)	9	11	4	24
Internship (FT)	12	46	97	155
Internship (PT)	0	5	12	17
<b>Total</b>	<b>16,098</b>	<b>11,941</b>	<b>8,356</b>	<b>36,396</b>

**2020**

Type of contract	Direct Labour	Indirect Labour	Staff Labour	Total
Open Ended (FT)	14,136	10,937	7,556	32,629
Open Ended (PT)	152	79	162	393
Fixed Term (FT)	1,837	729	302	2,868
Fixed Term (PT)	212	75	48	336
Apprenticeship (FT)	5	253	75	333
Apprenticeship (PT)	4	2	2	8
Internship (FT)	3	21	58	82
Internship (PT)	0	6	7	13
<b>Total</b>	<b>16,350</b>	<b>12,102</b>	<b>8,210</b>	<b>36,662</b>

\* The table includes the average workforce of the companies that are covered by the corporate IT system (87%) that comprises all the regions with the most significant countries where Gestamp has total management control.

FT: Full-time hours

PT: Part-time hours

**Average number of employees by type of contract and gender\***

**2019**

Type of contract	Men	Women	Total
Open Ended (FT)	26,234	5,165	31,399
Open Ended (PT)	182	189	371
Fixed Term (FT)	2,726	995	3,721
Fixed Term (PT)	269	58	328
Apprenticeship (FT)	329	53	382
Apprenticeship (PT)	23	1	24
Internship (FT)	115	40	155
Internship (PT)	7	10	17
<b>Total</b>	<b>29,885</b>	<b>6,511</b>	<b>36,396</b>

**2020**

Type of contract	Men	Women	Total
Open Ended (FT)	27,146	5,482	32,629
Open Ended (PT)	196	197	393
Fixed Term (FT)	2,076	792	2,868
Fixed Term (PT)	266	69	336
Apprenticeship (FT)	288	45	333
Apprenticeship (PT)	8		8
Internship (FT)	64	18	82
Internship (PT)	10	3	13
<b>Total</b>	<b>30,056</b>	<b>6,606</b>	<b>36,662</b>

\* The table includes the average workforce of the companies that are covered by the corporate IT system (87%) that comprises all the regions with the most significant countries where Gestamp has total management control.

FT: Full-time hours  
PT: Part-time hours

## Average number of employees by type of contract and age\*

### 2019

Type of contract	<=20	21 - 25	26 - 35	36 - 45	46 - 55	56 - 65	>=66	Total
Open Ended (FT)	429	2,492	10,013	9,068	6,526	2,796	74	31,399
Open Ended (PT)	4	7	72	114	81	85	8	371
Fixed Term (FT)	209	743	1,376	878	393	117	5	3,721
Fixed Term (PT)	65	25	32	24	13	164	5	328
Apprenticeship (FT)	252	86	35	7	2			382
Apprenticeship (PT)	17	7	0					24
Internship (FT)	24	84	44	3				155
Internship (PT)	2	10	5			1		17
<b>Total</b>	<b>1,002</b>	<b>3,453</b>	<b>11,578</b>	<b>10,093</b>	<b>7,014</b>	<b>3,163</b>	<b>92</b>	<b>36,396</b>

### 2020

Type of contract	<=20	21 - 25	26 - 35	36 - 45	46 - 55	56 - 65	>=66	Total
Open Ended (FT)	364	2,341	10,097	9,579	7,098	3,067	84	32,629
Open Ended (PT)	7	6	66	132	88	85	7	393
Fixed Term (FT)	135	531	1,000	716	359	125	2	2,868
Fixed Term (PT)	41	30	57	37	15	155	1	336
Apprenticeship (FT)	216	74	34	7	2			333
Apprenticeship (PT)	6	2						8
Internship (FT)	13	41	28	1				82
Internship (PT)	1	7	5			1		13
<b>Total</b>	<b>783</b>	<b>3,031</b>	<b>11,287</b>	<b>10,472</b>	<b>7,563</b>	<b>3,433</b>	<b>93</b>	<b>36,662</b>

\* The table includes the average workforce of the companies that are covered by the corporate IT system (87%) that comprises all the regions with the most significant countries where Gestamp has total management control.

FT: Full-time hours

PT: Part-time hours

## Layoffs by gender, age and professional classification\*

	2019				2020			
	Direct Labour	Indirect Labour	Staff Labour	Total	Direct Labour	Indirect Labour	Staff Labour	Total
<b>&lt;=20</b>	<b>92</b>	<b>11</b>	<b>2</b>	<b>105</b>	<b>109</b>	<b>23</b>	<b>2</b>	<b>134</b>
Women	25	0	1	26	20	1	1	22
Men	67	11	1	79	89	22	1	112
<b>21 - 25</b>	<b>302</b>	<b>98</b>	<b>20</b>	<b>420</b>	<b>327</b>	<b>118</b>	<b>25</b>	<b>470</b>
Women	77	13	11	101	58	16	18	92
Men	225	85	9	319	269	102	7	378
<b>26 - 35</b>	<b>515</b>	<b>313</b>	<b>111</b>	<b>939</b>	<b>519</b>	<b>296</b>	<b>123</b>	<b>938</b>
Women	149	35	22	206	131	26	40	197
Men	366	278	89	733	388	270	83	741
<b>36 - 45</b>	<b>294</b>	<b>185</b>	<b>99</b>	<b>578</b>	<b>394</b>	<b>250</b>	<b>125</b>	<b>769</b>
Women	103	17	27	147	122	25	32	179
Men	191	168	72	431	272	225	93	590
<b>46 - 55</b>	<b>94</b>	<b>88</b>	<b>76</b>	<b>258</b>	<b>142</b>	<b>162</b>	<b>93</b>	<b>397</b>
Women	27	15	10	52	42	11	18	71
Men	67	73	66	206	100	151	75	326
<b>56 - 65</b>	<b>27</b>	<b>32</b>	<b>26</b>	<b>85</b>	<b>73</b>	<b>81</b>	<b>54</b>	<b>208</b>
Women	0	2	5	7	13	9	3	25
Men	27	30	21	78	60	72	51	183
<b>&gt;=66</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>5</b>	<b>16</b>
Women	0	0	0	0	0	1	0	1
Men	2	1	1	4	5	5	5	15
<b>Total</b>	<b>1,326</b>	<b>728</b>	<b>335</b>	<b>2,389</b>	<b>1,569</b>	<b>936</b>	<b>427</b>	<b>2,932</b>

\* Employee layoffs of the companies that are covered by the corporate IT system (87%) that comprises all the regions with the most significant countries where Gestamp has total management control.

The total number of layoffs in 2020 was 2,932, of which 2,672 were employees with permanent contracts and 260 were employees with temporary contracts.

### Voluntary turnover rate\*

Country	2019	2020
Argentina	11.2%	10.5%
Brazil	2.8%	2.9%
Bulgaria	11.8%	17.1%
China	21.7%	15.3%
Czech Republic	13.5%	11%
France	4.8%	4.7%
Germany	2.8%	2.4%
Hungary	23.2%	18.7%
India	6.8%	11.9%
Japan	13.7%	10%
Mexico	10.6%	8%
Morocco	0%	0%
Poland	5.8%	6%
Portugal	3.3%	1.6%
Romania	14.1%	9%
Russia	11.2%	7.3%
Slovakia	6.2%	4.6%
South Korea	38.3%	22.9%
Spain	2.8%	2.1%
Sweden	15%	10.7%
Taiwan	0%	0%
Thailand	0%	0%
Turkey	3.8%	3%
United Kingdom	8.5%	6.2%
United States	18.6%	21.6%
<b>Total</b>	<b>9%</b>	<b>7.7%</b>

\* Voluntary turnover rate for employees with permanent contracts

### Distribution by professional classification and gender

The Group is in the process of reclassifying its workforce into professional groups and levels using the same methodology: *Gestamp Global Grading System (G3S)*.

By professional groups during 2020\*:

Professional classification	Men	Women
Senior Managers	90.9%	9.1%
Middle management	82.2%	17.7%
All other employees	82.6%	17.4%

\* Scope: 78% of the Gestamp workforce (85% if we exclude JVs and where Gestamp does not undertake the management). The information cannot be compared with previous financial years as the scope is greater and the criteria used is different



## Remuneration

Gestamp, in line with its equal opportunities principle enshrined in its Code of Conduct, promotes gender equality in access to employment, in the promotion of professionals and in equal pay.

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.

In addition to implementing the professional classification methodology (Gestamp Global Grading System), the Group is in the process of bringing together other 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.

### Average remuneration by professional category and gender in 2020\*

Average remuneration	Men	Women	Group
Senior Managers	107,619 €	99,163 €	106,847 €
Middle management	62,992 €	58,132 €	62,152 €
All other employees	24,394 €	20,459 €	23,709 €
Total	27,807 €	22,932 €	26,967 €

\* Data of average remuneration paid including all monetary concepts paid through salaries. Scope: 78% of the Gestamp workforce (85% if we exclude JVs and where Gestamp does not undertake the management). The information cannot be compared with previous financial years as the scope is greater and the criteria used is different, as well as the fact that salaries have been affected by the temporary reductions caused by COVID-19.

### Average remuneration by age in 2020\*

<=20	21 - 25	26 - 35	36 - 45	46 - 55	56 - 65	>=66
13,197 €	16,144 €	19,897 €	26,470 €	35,625 €	38,953 €	38,541 €

\* Data of average remuneration paid including all monetary concepts paid through salaries. Scope: 78% of the Gestamp workforce (85% if we exclude JVs and where Gestamp does not undertake the management). The information cannot be compared with previous financial years as the scope is greater and the criteria used is different, as well as the fact that salaries have been affected by the temporary reductions caused by COVID-19.

## Salary Gap

Based on previous calculation on average remuneration, it has resulted the average salary gap, comparing position of similar level of responsibility and weighted by the number of people/country, 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.

## Average remuneration of directors

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, which was 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.
- CEO: 15% reduction in the fixed remuneration over the duration of the crisis, effectively taking place between the months of May and October 2020, both inclusive.
- Executives of the Company: 15% reduction in the fixed remuneration over the duration of the crisis, effectively taking place between the months of May and October 2020, both inclusive.

## Average remuneration of directors (in thousand 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 José 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
Mrs. Ana García Fau	68	0	13	0	0	0	0	0	95	81
Mr. César Cernuda 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
Mrs. Concepción del 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
<b>Total</b>	<b>686</b>	<b>0</b>	<b>102</b>	<b>876</b>	<b>406</b>	<b>0</b>	<b>0</b>	<b>20</b>	<b>2,641</b>	<b>2,090</b>

\* The amount of remuneration paid to the Directors with executive functions reflected in this section does not match the amount reflected under the same heading in Note 32.2 of the notes to the consolidated financial statements of the Group due to use of the same criteria followed in the Annual Corporate Governance Report. Other items are Remuneration in kind: life and company car insurance premiums

**Average remuneration of the Management Committee (thousands of euros)\***

Member	Position
Mr. Fernando Macias Mendizábal	General Manager of South Europe Division
Mr. Manuel López Grandela	Director of the Mercosur Division
Mr. Juan Miguel Barrenechea Izarzugaza	Director of the North America Division
Mr. Kevin Stobbs	Director of the Asia Division
Mr. Torsten Greiner	General Manager of the Business Mechanism Unite (Edscha)
Mr. Manuel de la Flor Riberas	General Director of Human Resources and Organisation
Mr. David Vázquez Pascual	General Director of the Legal, Tax and Corporate Governance Department
Mr. Mario Eikermann	Director of the Chassis Business Unit and BIW Sales Director
Ms Carmen de Pablo Redondo	Chief Financial Officer
Mr. Javier Ignacio Imaz Rubalcaba	Corporate Director Purchasing & Capex
<b>4,256</b>	

\* The amount of remuneration paid to members of the Management Committee reflected in this section does not match the amount reflected under the same heading in Note 32.3 of the notes to the consolidated financial statements of the Group due to use of the same criteria followed in the Annual Corporate Governance Report.

**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, favouring 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% was due to common illnesses.

## **Labour relations**

The management of labour relations at Gestamp is undertaken in accordance with the labour legislation applicable in each geographic area.

With worker representation in each plant, all aspects relating to employee labour relations are negotiated. 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, there are inter-centre committees that complement the in-plant negotiating framework.

The company has a European Works Council with representatives from all of the countries where it operates.

Gestamp places 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).

**Employees covered by a collective agreement**

Country	2019			2020		
	Total own workforce	Estimated coverage 31.12.2019	%	Total own workforce	Estimated coverage 31.12.2020	%
Argentina	970	970	100%	873	873	100%
Brazil	4,789	4,789	100%	3,922	3,922	100%
Bulgaria	115	115	100%	115	115	100%
China	3,988	691	17.3%	3,787	693	18.3%
Czech Republic	1,498	0	0%	1,643	0	0%
France	1,617	1,425	88.1%	1,618	1,618	100%
Germany	4,373	3,979	91%	4,194	3,826	91.2%
Hungary	534	0	0%	553	0	0%
India	793	228	28.8%	774	464	59.9%
Japan	78	43	55.1%	79.5	61	76.7%
Mexico	3,738	2,581	69%	3,154	3,064	97.1%
Morocco	126	0	0%	291	0	0%
Poland	1,131	821	72.6%	1,076	777	72.2%
Portugal	1,367	1,367	100%	1,296	712	54.9%
Romania	451	451	100%	329	329	100%
Russia	630	0	0%	543	77	14.2%
Slovakia	380	195	51.3%	349	207	59.3%
South Korea	232	190	81.9%	195	154	79%
Spain	6,760	6,760	100%	6,354	6,354	100%
Sweden	310	310	100%	248	248	100%
Taiwan	18	0	0%	17	0	0%
Thailand	11	0	0%	9	0	0%
Turkey	3,379	3,379	100%	3,400	3,400	100%
United Kingdom	2,440	1,382	56.6%	2,172	1,361	62.7%
United States	4,093	123	3%	3,820	120	3.1%
<b>Total</b>	<b>43,822</b>	<b>29,800</b>	<b>68%</b>	<b>40,811</b>	<b>28,375</b>	<b>69.5%</b>

## Occupational Health and Safety

Gestamp is committed to providing its employees, and any company working at its facilities, a safe and healthy work environment. It therefore has an ambitious occupational risk prevention policy and its own comprehensive management system, called Gestamp Health and Safety System (GHSS).

The main characteristics of the system are:

- **An extensive team of professionals** dedicated to prevention, from corporate level to the plants, to provide their opinions when undertaking improvements and starting new projects.
- **The inclusion of experts in working and prevention management conditions** that seek best practices and solutions and define the direction of the system.
- **The creation of manuals and supporting documents:**
  - Safety standards
  - Management guides
  - Specifications
  - Best practices
- ***Gestamp Health and Safety Indicator (GHSI)***, whose main functionalities are as follows:
  - To accurately evaluate the safety performance of the plants, according to how they are managed and the specific conditions of the work centres, through periodic audits and reviews.
  - To be the Group's safety standard, recognised by all employees, which compares all plants on equal terms.
  - To accumulate the knowledge gained over the years and use it to detect areas in need of improvement in a detailed manner.
- **IT applications and web communities.**
- **Collaboration with other corporate departments** so that health and safety is another aspect to consider in new projects: layout design, machinery and facility purchasing, training and corporate policies.
- **Awareness-raising campaigns** to prevent accidents, particularly in the jobs with the highest risks and/or those with high accident rates.
- **Safety Climate Assessment** through the Safety Climate Project with the NOSACQ-50 tool, the objective of which is to find out how safety is perceived within plants and at all hierarchical levels.
- **Training programmes.**
- **Participation in international forums.**

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 employees and in the business:

- 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

After the widespread closure of plants, the Group also prepared an Action Protocol establishing a series of common instructions and orders so that all production plants were prepared before activity resumed and that all health and safety measures were bolstered.

The Protocol included actions to be undertaken prior to the resuming of activity, which included: assessing the risk of transmission by position or group of positions with similar characteristics; preparation of internal worker communications with information on personal 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 workers, and their work on production lines, respecting safe distancing; measures for breaks and lunches; entering, leaving, loading and unloading procedures for external providers; supply of protective equipment; and other measures geared towards floor signs marking the distances that must be maintained between workers and for ventilation areas.

In addition to these prior 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.

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)
- 194 people quarantining at home as a precautionary measure (without symptoms and test confirmation)
- During the year, 1,514 people have favourably overcome the illness (only accumulated datum)
- 5 people have died from COVID-19 in 2020 in India, the US, Mexico, Brazil and Hungary.

## Indicators and results

Despite the difficulties faced due to the COVID-19 pandemic, Gestamp has continued to implement improvements and monitor key health and safety aspects through its GHSI indicator. These aspects, called factors, are assessed equally in all of the Group's plants.

In the 2020 version, there are a total of 78 factors related to:

- **Traditional Indicators:** Frequency Rate, Severity Rate and Serious Accidents.
- **Working Conditions:** Indoor traffic routes, safety conditions for different types of machinery, warehouse conditions, etc.)
- **Prevention Management:** Management of external companies, specific training, working at a height, etc.)

Both the system and the indicator used for analysing and monitoring purposes belong to Gestamp. They were designed and adapted to the particularities of the company's activity, achieving higher levels of stringency than those that are required by international standards. Furthermore, they cover all fields of action and are integrated at all levels of the organisation.

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

The following table shows the evolution of working conditions and prevention management during 2020, broken down 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>

Despite the Group's growth, in terms of both business and the number of employees, the company has not only maintained the rates, but rather has improved on them, which is a clear indication of its effort in the area of prevention. In 2020, the number of accidents per hours worked was down 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	9
Severity Rate <sup>2</sup>	0.18	0.16
Fatal accidents	0	0

Indicators	2019			2020		
	Male	Female	Group	Male	Female	Group
Frequency Rate <sup>1</sup>	13	2	11	11	2	9
Severity Rate <sup>2</sup>	0.20	0.05	0.18	0.19	0.04	0.16
Total Accidents <sup>3</sup>	<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	619	26	646
Subcontracted Employees	109	5	114	88	3	91
Fatal accidents	0	0	0	0	0	0
Total Occupational Disease <sup>4</sup>	<b>2</b>	<b>1</b>	<b>3</b>	<b>2</b>	<b>0</b>	<b>2</b>
Direct Employees	2	1	3	2	0	2
Subcontracted Employees	0	0	0	0	0	0

(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.

## Training, Management and Talent Development

### Training

Gestamp has a training model that aims to achieve three fundamental objectives:

- **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 has interrupted all the 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 Stoppage for COVID-19; Quality Control of Hot-Stamped Parts; Communication in Crisis Situations; and Instructor to Inspector Training on Welding Quality.

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.

Number of attendees	2019	2020*
Direct Labour	105,021	91,057
Indirect Labour	55,733	36,480
Office Staff	32,298	27,334
Total	193,052	154,871

\*The 2020 data relating to training given by Gestamp plants do not include those who attended Corporate University courses.

Number of training hours	2019	2020*
Direct Labour	586,560	333,374
Indirect Labour	428,693	181,152
Office Staff	239,596	100,554
Total	1,254,848	615,080

\*The 2020 data relating to training given by Gestamp plants do not include the hours of training given by 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.

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.

Average training hours	2019	2020
Total number of training hours	1,254,848	647,948
Average direct workforce	43,938	42,285
Average hours of training per employee	28.6	15.3

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

- **Business knowledge and organisational culture**
- **Knowledge of products, technologies and processes** - developing the technical skills of our professionals in disciplines such as assembly technologies, stamping and metal forming processes, new materials, etc.
- **Management and leadership skills** –training in competencies connected to the Group's leadership competencies model.
- **Knowledge of requirements by job position** - The Professional Academy of the Corporate University concentrates efforts to offer a training itinerary to each professional profile in the company.

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 accompany 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.

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

## **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 professionals in the organisation outside their place of origin. At the same time, it has allowed the company 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, corresponded 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, Gestamp has continued to work on a global talent management initiative to identify the Group's talent on a global and homogeneous basis. The Group's talent is to be identified through a combination of two variables: The performance and potential of employees. As such, an assessment process is to be launched for the 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 an analysis undertaken on the talent needs according to the creation of replacement plans for critical positions in the Group, as well as adopting measures geared towards developing talent in the Group. 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, collaborations have taken place 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 high specialisation 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.

## 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.

In 2020, as an addition to this principle, 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.

The presence of women is scarce in the automotive sector. At Gestamp, they represent 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.

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).

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.

## Integration and universal accessibility of persons with disabilities

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 in 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 the local regulations of each country, also complying with the requirements in the

field of accessibility. These regulations change in each country, which in some cases are more restrictive than others, especially regarding the installation of lifts in office buildings.

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).

## **6.4 Ethics and compliance: Respect for human rights and fight against corruption and bribery**

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**

Gestamp has 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 May 7<sup>th</sup> 2018, the Board of Directors approved the current version of the Code 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.

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 a device that allows them to carry out said online training.

**External audits.** Gestamp has implemented an audit rotation plan conducted by an external independent auditor to verify the degree of implementation and knowledge of the Code of Conduct by

employees in different areas of the Group. Due to the restrictions caused by COVID-19, it was not possible in 2020 to carry it out as external personnel were forbidden from accessing the Group's facilities. The Group is currently looking for a way to carry out the audits, while also guaranteeing the safety of employees and ensuring that they are not influenced/delayed by the current restrictions. In previous years, audits were carried out in all work centres in India, Russia, Mexico, Germany, Argentina, Brazil, China, the US, France, India, Mexico, Portugal, UK and Russia.

Gestamp considers external audits to be vitally important for identifying certain improvement aspects. Measures and action plans are carried out to resolve particular aspects and to improve the application and knowledge of the Code of Conduct.

Taking as reference the Code of Conduct, the Group has been developing specific internal regulations to ensure better compliance with it, as well as other regulations that apply to it.

## **Respect for Human Rights**

For a global group like Gestamp, with a significant 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.

Gestamp considers that respect for Human Rights is fundamental and, therefore, these are largely reflected in the Code of Conduct, the fundamental pillar of our commitment to integrity. In addition, Gestamp is in line with the main international initiatives in this area, such as:

- 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.

The company has a Human Rights Policy that was approved by the Board of Directors on December 16<sup>th</sup> 2019 and is intended to establish the general parameters of action that should govern the daily activity of the Group and convey the will of the group to comply with international best practices in safeguarding Human Rights.

Fundamental principles contained in the Policy:

### Labour principles

- Fair working conditions
- Equality and non-discrimination
- Decent employee treatment
- Eradication of forced labour and other forms of modern slavery
- Condemnation of child labour
- Health and safety in the workplace
- Freedom of association and the right to collective bargaining

## Matters relating to the work environment

- Freedom of expression and opinion of employees
- Foster local employment
- Physical safety of employees in complicated contexts
- Decent work and rights regarding migrants

In addition to extending this respect for human rights to the supply chain, the Group has Corporate Social Responsibility Requirements for its suppliers, which includes, among other, labour and human rights, and business ethics. The document is available on the website and Supplier Portal. It is mandatory to accept them to be a supplier for the company and is included in the general purchase contract.

During 2021-2022, 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.

## Crime prevention

Gestamp has a Crime Prevention Model that aims to analyse and assess the risks arising from the potential commission of crimes within the Group, as well as identify the controls, already implemented or to be implemented, 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 December 16<sup>th</sup> 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 and bribery prevention**

Corruption, fraud and money laundering are phenomena present 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 money laundering are listed in the catalogue of crimes included in the Group's Crime Prevention Manual.

On December 17<sup>th</sup> 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. This policy aims to design and establish the general guidelines for action that must be followed by the directors, managers and employees who are contractually bound to the Group's companies, as well as by third parties that liaise with the Group, in order to send out a strong and clear message against corruption and fraud in all of its forms and to explicitly declare its commitment to avoiding said conduct within the organisation.

This policy sets out a series of action principles and rules relating to corruption and fraud, gifts and entertainment, and donations and grants, which must take precedence in any business activity undertaken in the Group.

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.

### **Bodies involved in the Code of Conduct and regulatory compliance**

Gestamp has 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 activity is supervised by the Audit Committee and predominantly involves the disseminating, and guaranteeing compliance with, the Code of Conduct, and promoting a culture of ethics and compliance within the Group. Furthermore, the Ethics Committee is regularly informed by the Compliance Office of all reports received and investigations underway. It can seek the authority to conduct the investigation and to establish any preliminary or disciplinary measures.

- **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 made via the authorised channels which may incur the criminal liability of the legal person.

## 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.

- 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*.

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.

In 2020, 108 communications were received through the different channels. All the communications were complaints regarding potential breaches of Gestamp Code of Conduct.

Taking into account the communication channels used: 18 reports were received through Delegates, 28 directly by the Compliance Office through email and 62 via the Speak Up Line.

At December 31<sup>st</sup> 2020, the cases according to type were:

Subject Matter	No. of Cases 2019	No. of Cases 2020
<b>Integrity in our workplace:</b>		
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
<b>Integrity in the supply chain:</b>		
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
<b>Integrity regarding our shareholders and business partners:</b>		
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
<b>Integrity in our environment:</b>		
Environment	0	0
Community commitment	2	1
<b>TOTAL</b>	<b>115</b>	<b>108</b>

\*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:

- Number of dismissals: 9
- Salary and job termination cessation: 5
- Written warnings: 11
- Other internal actions: 11

## 6.5 Regarding society

Gestamp is a powerful driving force behind local development in the communities in which their plants are located, creating employment, working with local suppliers, collaborating with organisations and institutions, or getting involved in social initiatives.

### **Company commitment to sustainable development**

Gestamp has always been committed to a sustainable business project (previously explained in the introduction section) and, as part of it, it establishes relationships with different stakeholders in the communities in which it operates.

Reflecting the commitment to local development, Gestamp is actively involved in different initiatives aimed at benefiting communities. These initiatives are of an economic (clusters and business associations) and social nature (supporting improvement projects in education, environmental awareness raising, integration of disadvantaged groups, etc.) that arise from the knowledge of each plant on the social reality that surrounds them.

### **Cluster and business associations collaboration**

Gestamp participates in organisations, institutions and forums that aim to foster socio-economic, innovation and quality development and to contribute to spreading knowledge from the automotive sector in the countries where it operates.

The following are just a few of them:

#### **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)

### **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)
- OESA (Original Equipment Suppliers Association)
- 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

### **Collaborations with non-profit organisations**

Since 2013, Gestamp has been adhering to the LBG (London Benchmarking Group) methodology with the aim of identifying, classifying and assessing the not-for-profit contributions that each one of its companies individually makes in the community in which it operates.

Following application of the methodology, in 2020, a total of 140 social and not-for-profit activities were identified that have benefited 300 organisations and in which a total of 2,437 employees voluntarily participated. The total value of the contribution amounts to 1,360,914 euros.

In terms of the type of contributions, the majority of activities undertaken related to monetary contributions (86.6%), which was followed by the time employees dedicated 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 materials from works to non-profit organisations, furniture to families affected by natural disasters, surplus office supplies, etc.

The initiatives that individuals and the company launched during the COVID-19 pandemic, amounting to 550,429 euros, are particularly worthy of mention.

Some of these solidarity actions included the use of 3D printers, which the company has in different locations in Spain, the US, Argentina and France, to make mainly protector screen components. In the UK, the teams collaborated on making and distributing door openers for hospital and healthcare centres. Door openers were also made by the teams in the US and Mexico. Furthermore, work was undertaken on several projects that aimed to develop ventilators.

Gestamp also bought medical supplies in China and donated them to the Spanish government, thereby helping to protect healthcare professionals. The donation was done through the Medical Air Corridor, managed by the Oesía Group, the Spanish Federation of Healthcare Technology Companies (Fenin) and Iberia. This was a great example of business collaboration during the pandemic.

Furthermore, supplies were also donated to the hospital set up at IFEMA in Madrid. The Group also collaborated with the cardiology service at the Ramón y Cajal Hospital on the programme "Together for the Heart", giving mobile telephones to patients so they could keep in contact with their loved ones.

### Social contribution by area of action in 2020

Area of action	Number of initiatives	Economic value in euros	%
Education and youth	42	391,817	28.8%
Health	35	610,517	44.9%
Socio-economic development	11	292,907	21.5%
Environment	14	24,511	1.8%
Art and culture	1	274	0.0%
Social well-being	29	38,167	2.8%
Humanitarian aid	8	2,721	0.2%
<b>TOTAL</b>	<b>140</b>	<b>€ 1,360,914</b>	<b>100%</b>

### Social contribution by area of action in 2019

Area of action	Number of initiatives	Economic value in euros	%
Education and youth	81	544,237	40.6%
Health	44	69,794	5.2%
Socio-economic development	11	623,099	46.5%
Environment	9	14,254	1.1%
Art and culture	52	5,541	0.4%
Social well-being	2	82,337	6.1%
Humanitarian aid	1	461	0.1%
<b>TOTAL</b>	<b>213</b>	<b>€ 1,339,723</b>	<b>100%</b>

All the social contributions are related to the United Nations Sustainable Development Goals as follows in 2020:

<b>Distribution of social projects by Sustainable Development Goals</b>	
SDG 1. End of poverty	0.9%
SDG 2. Zero hunger	0.6%
SDG 3. Health and well-being	45.8%
SDG 4. Quality education	28.6%
SDG 8. Decent work and economic growth	1.6%
SDG 10. Reduction of inequality	0.7%
SDG 13. Climate action	1.8%
SDG 17. Partnerships to achieve the goals	20,0%
<b>Percentage of the total Gestamp contribution</b>	<b>100%</b>

### **Youth training**

As a strategic focus, Gestamp significantly contributes to the technical-industrial training and education of local residents. It undertakes collaboration agreements and direct donations in the form of grants with regional universities, business schools and vocational training centres.

Besides, the Group provides young people, the so-called apprentices, the opportunity to combine theory and practice through its dual study programmes, which are taught around the world.

Apprentices combine practical training in the company with theoretical sessions taught in vocational training centres.

The aim of this kind of training is to:

- **Ensure that youths under the age of 25 obtain a post-compulsory secondary education certificate** through vocation training studies.
- **Improve the employability of youths** thanks to the high capacity the system has for putting theory into practice.
- **Form close relationships between education centres and Gestamp work centres**, establishing greater connection and communication in the youth and/or worker training process.

In general, apprentices who work at a Gestamp centre are accompanied by a tutor, perform normal working days, have a contract, are registered with the Social Security and earn a small wage. During 2020, Gestamp hosted 427 trainees and interns.

On a corporate level, there are a number of initiatives, such as those mentioned in the Training and Development chapter.



## Subcontracting and suppliers

Gestamp relies on its network of suppliers to carry out its activity. In 2020, the Group had 17,638 suppliers (85% local) while at year-end 2019 the Group had 20,332 suppliers (94% local)

In addition to the economic impulse of demand on suppliers, Gestamp collaborates with a number of strategic suppliers with whom it undertakes key activities in its business model and whose competitive boost helps in seeking common benefit. Gestamp has a close relationship with raw material companies, suppliers of capital goods and production engineering, which accompany the construction and launch of new manufacturing plants throughout the world, and with subcontracted stamping companies that provide contrasted, flexible manufacturing.

Due to the growing globalisation of the business, managing the supply chain has become more complicated. Therefore, the Group has a methodology for the global management of suppliers. This methodology is called Gestamp Supplier Risk Management (SRM).

Its aim is to be able to effectively and consistently evaluate the performance of 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, that are key elements in guaranteeing the continuity of the business. The evaluation is based on quality and sustainability (working conditions, health and safety, equality, environmental aspects, and business ethics).

Gestamp has Corporate Social Responsibility Requirements for Gestamp Group suppliers, available on the [website](#) and [Supplier Portal](#).

## Consumers

Many of the products produced by Gestamp help manufacturers to comply with safety regulations, which are becoming increasingly complex and difficult to address with regard to the comprehensive safety of vehicles. This is due to the fact that safety is one of the Group's strategic lines in the area of innovation and development, and it is implemented through:

- **Using materials, such as high-strength and ultra-high-strength steel**, which significantly improve the ability of vehicles to withstand impacts.
- **Designing energy absorption improvements** in the chassis and body-in-white product portfolio that increase driver and passenger safety by reducing side impacts to a minimum, while the bonnet hinges in our mechanism product portfolio improve pedestrian safety.
- **Developing technologies**, such as hot stamping, that meet the strictest safety requirements and that pass car-on-car crash tests.

Furthermore, the Gestamp Quality System, a management system, helps the company to continuously improve by focusing on complying with client requirements and fostering prevention over detection, which results in a reduction in defects and waste in the supply chain, while also being safe and sustainable.

A follow-up on the quality performance of parts delivered to clients is undertaken through internal audits, including on products, processes and systems, as well as through the use of indicators at all levels of the organisation (plants, regions, divisions and corporate).

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 time frames. 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, nor in previous years.

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.

## **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.

Information on corporate tax expenses, profit before taxes and subsidies by country.

	Corporate tax expenses		Profit before taxes		Subsid. Capital		Subsid. Operation	
	2020	2019	2020	2019	2020	2019	2020	2019
<b>WESTERN EUROPE</b>								
Spain	-22.4	-43.6	-84.3	116.4	2.2	2.3	6.8	5.2
Germany	0.3	-6.6	-42.1	3.2	0.3	0.4	0.0	0.0
United Kingdom	2.0	1.8	-38.5	-17.6	0.4	0.5	0.4	0.6
France	-0.6	-1.5	-6.3	17.1	0.1	0.0	0.3	0.2
Portugal	-0.3	-1.9	8.2	19.1	0.6	1.1	1.6	0.1
Sweden	0.2	-0.1	17.4	-2.3	0.0	0.0	0.0	0.0
Luxembourg	-0.7	-0.2	-8.8	-0.1	0.0	0.0	0.0	0.0
Morocco	0.0	0.0	-1.8	-2.1	0.0	0.0	0.0	0.0
<b>EASTERN EUROPE</b>								
Turkey	-0.5	-7.9	28.7	28.5	0.0	0.0	0.0	0.0
Russia	-3.7	-0.2	0.1	19.8	0.0	0.0	0.0	0.0
Czech Republic	0.0	-1.0	-11.5	-9.5	0.1	0.1	0.2	0.0
Poland	-6.1	-0.3	19.3	46.7	0.0	0.0	0.0	0.0
Hungary	-0.1	0.0	-2.5	-0.2	0.0	0.0	0.0	0.0
Slovakia	-2.6	-5.4	11.6	16.1	0.1	0.1	0.1	0.0
Romania	0.1	-0.1	0.3	0.3	0.0	0.0	1.2	0.0
Bulgaria	0.0	0.0	0.2	2.8	0.0	0.0	0.3	0.0
<b>SOUTH AMERICA</b>								
Brazil	-6.0	1.7	-3.7	34.3	0.0	0.0	0.0	0.0
Argentina	0.0	-1.8	-11.8	-6.4	0.0	0.0	0.0	0.1
<b>NORTH AMERICA</b>								
United States	-3.3	-4.4	-94.0	-32.1	0.0	0.0	1.7	7.3
Mexico	-7.0	-13.4	-14.0	27.3	0.1	0.1	0.0	0.0
<b>ASIA</b>								
China	-10.4	-13.3	60.3	54.8	0.0	0.0	1.6	1.9
India	-4.0	-11.5	4.5	14.1	0.0	0.0	0.0	0.0
South Korea	-2.7	-1.8	7.7	10.6	0.0	0.0	0.0	0.0
Japan	0.0	-0.9	-6.5	-8.3	0.9	0.8	0.0	0.0
Thailand	-0.4	-0.3	1.0	1.6	0.0	0.0	0.0	0.0

Index of contents required by Law 11/2018		Reference framework	Page	Reason for omission
<b>General Matters</b>				
Business Model	Brief description of the group's business model	GRI 102-2, 102-3, 102-4, 102-6, 102-7, 102-14, 102-15	3-4	
General	Reporting framework	GRI 102-54, 102-46, 102-47	19	
Management approach	Description of the policies that apply	GRI 103-1	24,33, 54, 55, 57,66	
	Results of those policies	GRI 103-3	24-67	
	The main risks related to these issues related to group activities	GRI 102-15	13-18	
<b>Information on environmental issues - GRI: 103-2</b>				
Environmental Management	Current and foreseeable effects of the company's activities on the environment and, where appropriate, health and safety	GRI 307-1, 308-2	24-26	
	Environmental assessment or certification procedures	GRI 103-2, 308-1 ISO 14001 and EMAS II	24	
	Resources dedicated to the prevention of environmental risks	Financial accounting system	25	
	Application of the precautionary principle	GRI 102-11	25	
	Amount of provisions and guarantees for environmental risks	Insurance policy	25	
Pollution	Measures to prevent, reduce or repair carbon emissions (also includes noise and light pollution)	GRI 305-1, 305-2, 305-3, 305-6, 305-7	25-30	

Circular economy, waste prevention and management	Measures for prevention, recycling, reuse, other forms of waste recovery and disposal	GRI 301-2, 301-3, 306-1, 306-2 Gestamp Environmental System	30-31	
	Actions to combat food waste	-		Not applicable
Sustainable Use of Resources	Water consumption and water supply in accordance with local limitations	GRI 303-1 Gestamp Environmental System	31	
	Consumption of raw materials	GRI 301-1, 301-2 Gestamp Environmental System	32	
	Measures taken to improve the efficiency of its use	GRI 302-4, 302-5 Gestamp Environmental System	32	
	Direct and indirect energy consumption	GRI 302-1, 302-2 Gestamp Environmental System	27	
	Measures taken to improve energy efficiency	GRI 203-1, 302-1, 302-4, 302-5 Gestamp Energy Efficiency System	28	
	Renewable energy use	-	29	
Climate change	Important elements of greenhouse gas emissions generated as a result of the company's activities	GRI 201-2, 305-1, 305-2, 305-3 Carbon Disclosure Project	25-26	
	Measures taken to adapt to the consequences of climate change	GRI 103-2, 201-2 Carbon Disclosure Project	25-26	
	Reduction targets set to voluntarily reduce greenhouse gas emissions in the medium and long term and the resources set for this purpose	GRI 305-5, 301-1 Carbon Disclosure Project	25-26	
Biodiversity protection	Measures taken to preserve or restore biodiversity	GRI 304-3	32-33	

	Impact of activities or operations in protected areas	GRI 304-2, 303-2	32-33	
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**Information on social issues and personnel-related matters - GRI: 103-2; 102-8**

Employment	Total number and distribution of employees by country, gender and age.	GRI 405-1	35	
	Total number and distribution of employees by professional category	GRI 401-1	36	
	Total number and distribution of employment contract modalities	GRI 401-1	36	
	Annual average by contract modality (permanent, temporary and part-time) by gender, age and professional classification	GRI 401-1, 405-1	37-38	
	Number of dismissals by gender, age and professional categories	GRI 401-1	39	
	Salary Gap	GRI 405-2 Gestamp Global Grading System	41	
	Average remuneration and its evolution broken down by sex and age	GRI 405-2	41	
	Average remuneration of directors by gender	GRI 102-35 Annual Corporate Governance Report Annual Directors' Remuneration Report	42	
	Average remuneration of senior management by gender	GRI 102-35 Annual Corporate Governance Report	43	

	Implementation of policies to allow employees to disconnect from work	-	43	No policies to allow employees to disconnect from work are available. 78% of the workforce is directly involved in production processes.
	Employees with disabilities	GRI 405-1	53	
Work organisation	Working time management	GRI 401-2, 401-3	43	
	Number of absenteeism hours	GRI 403-2 Gestamp SAP HCM and BW	43	
	Measures aimed at facilitating conciliation and encouraging their co-responsible exercise by both parents		43	
Health and safety	Health and safety conditions at work	GRI 403-1, 403-2, 403-3, 403-4 Gestamp Health and Safety System	46-49	
	Number of accidents at work by gender	GRI 403-2, 403-3 Gestamp Health and Safety System	49	
	Frequency rate by gender	GRI 403-2 Gestamp Health and Safety System	49	
	Severity rate by gender	GRI 403-2 Gestamp Health and Safety System	49	
	Occupational diseases by gender	GRI 403-2 Gestamp Health and Safety System	49	
Labour relations	Organisation of social dialogue, including procedures for reporting and consulting staff and negotiating with them	GRI 402-1, 403-1, 403-4	44	

	Percentage of employees covered by collective agreements per country	GRI 102-41	45	
	Balance of collective agreements, particularly in the field of health and safety at work	GRI 102-41, 403-4	44	
Training	Policies implemented in the field of training	GRI 404-2	50-51	
	Total number of hours of training by professional categories.	GRI 404-1	50	
Accessibility	Universal accessibility of persons with disabilities	GRI 405-1	53-54	
Equality	Measures taken to promote equal treatment and opportunities between women and men	GRI 401-3, 405-1, 405-2	53	
	Equality plans, measures taken to promote employment, protocols against sexual harassment and gender-based harassment	GRI 103-2, 405-1	53	
	Integration and the universal accessibility of persons with disabilities	GRI 405-1	53	
	Policy against all types of discrimination and, where appropriate, diversity management	GRI 103-2, 406-1	53	
<b>Information on respect for human rights</b> <b>GRI: 103-2; 102-15; 102-16; 102-17</b>				
	Application of due diligence procedures in the field of human rights	GRI 103-2, 412-2 Gestamp Code of Conduct	54-56	
	Prevention of risks arising from human rights violations and, where appropriate, measures to mitigate, manage and repair possible abuses committed	GRI 412-2 Gestamp Code of Conduct	54-56	
	Complaints about cases of human rights violations	GRI 406-1 Gestamp Code of Conduct	60	



	Promotion and compliance with the provisions of the ILO fundamental conventions related to respect for freedom of association and the right to collective bargaining	GRI 407-1, 408-1, 409-1, 410-1 Gestamp Code of Conduct	54-56	
	Elimination of discrimination in employment and occupation	GRI 405-1 Gestamp Code of Conduct	54-56	
	Elimination of forced or compulsory labour	GRI 409-1 Gestamp Code of Conduct	54-56	
	Effective abolition of child labour	GRI 408-1 Gestamp Code of Conduct	54-56	
<b>Information regarding the fight against corruption and bribery GRI: 103-2; 102-15; 102-16; 102-17</b>				
	Measures taken to prevent corruption and bribery	GRI 205-1, 205-2, 419-1 Gestamp Code of Conduct	57-59	
	Measures to fight money laundering	GRI 205-2, 419-1	57-59	
	Contributions to foundations and non-profit organisations	GRI 201-1, 413-1	62-64	
<b>Information about the company - GRI: 103-2; 413-1</b>				
Company commitment to sustainable development	Impact of the society's activity on the local development and employment	GRI 102-42, 102-43	61-64	
	Impact of the society's activity on local populations and in the territory	GRI 411-1, 413-2	61-64	
	Relationships maintained with local community actors and the dialogue modalities maintained with them	GRI 102-43	61-64	
	Partnership or sponsorship actions	GRI 203-1, 102-12, 102-16, 102-13	61-64	
Subcontracting and suppliers	Inclusion in the purchasing policy of social, gender equality and environmental issues	GRI 102-9, 308-1, 414-1 Gestamp Code of Conduct and CSR Requirements for	65	

		Gestamp Group suppliers		
	Consideration in supplier and subcontractor relationships of their social and environmental responsibility	GRI 102-9, 414-2 Gestamp Code of Conduct and CSR Requirements for Gestamp Group suppliers	65	
	Supervision systems and audits and their results	GRI 308-2, 407-1, 408-1, 409-1 Gestamp Supplier Risk Management System	65	
Consumers	Consumers' health and safety measures	GRI 416-1 Gestamp Quality System	65-66	
	Complaint systems	GRI 416-2, 418-1	65-66	
	Complaints received and resolution thereof	GRI 103-2, 416-2, 417-2	65-66	
Tax-related information	Profits earned country by country	GRI 201-1	67	
	Taxes paid on profits	-	67	
	Public subsidies received	GRI 201-4	67	

## 7. R&D ACTIVITIES

The year 2020 was a year in which, due to the pandemic, global vehicle production did not reach the expected levels.

However, manufacturers continued with the development of new models, which led to an increase in the number of co-development projects that Gestamp carries out with them compared to previous periods.

Through these projects, Gestamp's R&D departments, working together with their technical teams, are able to introduce new technologies and product solutions in their cars.

During 2020, a greater number of projects have been developed with customers based on future models, reaching the figure of over 307 co-developments in Body, Chassis and Mechanisms.

The innovations that have been developed throughout the year have been as always focused on improving the safety of vehicles, occupants and bystanders, and on lightweighting.

But beyond these two objectives, there are increasingly other important aspects to be taken into account when bringing innovation to the automotive industry.

Technology/Product innovation must be compatible with the strategy of using platforms increasingly implemented by all OEMs.

Comfort is another important pillar in the development of projects that is becoming more and more relevant with electrification. Improved accessibility and the automation of doors, hoods and tailgates are already requirements to be taken into account in the development of some parts of the vehicle.

At Gestamp we are committed to the environment and one of our premises is to control and minimize the environmental impact of our activity. In all the technological developments of the R&D department we analyze the carbon footprint and the impact within the life cycle of the vehicle.

Throughout 2020, the projects developed have been mostly for platforms and electric vehicles.

It should be noted that beyond electrification itself, Gestamp has collaborated in different types of mobility. In this way, projects have been developed for long distance cars, small city cars and the so-called "urban people mover" and "last mile delivery".

Gestamp once again reaffirms its position as a technological leader with solutions in body-in-white, chassis and mechanisms for any type of propulsion and mobility.

### **Development of New Technologies**

In 2020, Gestamp continued to innovate in new technological processes.

In the field of hot stamping, the development of the new "multistep" technology continued, optimizing the process for different types of steels, including zinc materials with a new higher corrosion protection coating.

New processes have also been developed that now allow hot stamping of a material with +25% strength. This material must be manufactured using a laser post-treatment that allows them sufficient ductility to obtain the best crash result.

As for obtaining different mechanical properties along a part to achieve a better performance in the crash event, three partial tempering methods have now been achieved, new degrees of hardness/absorption, which allow an even better control of the deformation.

Gestamp has managed to produce these "soft" zones in a different way within the production process:

1. During forming (in the forming die/tool = in die).
2. Generated after forming (post treatment by alternative heat source, laser, induction, etc... = BKT)
3. Generated before forming (in the heating furnace = in furnace)

With these developments, Gestamp has become the most advanced supplier in the hot stamping market, offering a wide portfolio of different materials in resistance and coatings.

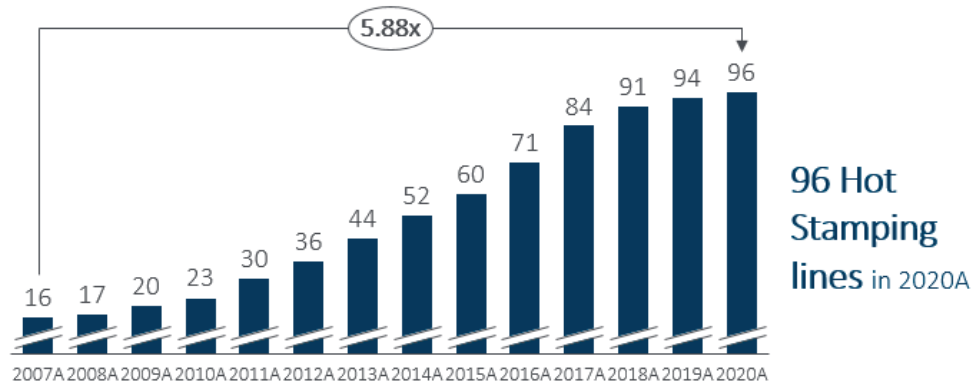
Great advances have been made in the "in furnace" process, leading to orders from our customers in 2020 for parts manufactured with this technology, which will go into production in 2021.

Beyond steel, Gestamp has managed to bring hot stamping technology to aluminum.

The need to reduce the weight of vehicles has led some manufacturers to use more and more aluminum in some components, such as doors.

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

Gestamp's current hot stamping lines can be used for both materials, modifying only the process parameters.



For the manufacture of battery boxes, new aluminum extrusion processes have been developed in which large section profiles with high ductility are produced. This allows us to manufacture battery boxes with very light frames for the protection of the battery.

### New Product Development

Product innovation at Gestamp is driven by the application of new technologies to achieve more efficient and lighter components.

Developments are concentrated in the following six areas.

1. Front and rear crash systems
2. Side crash structure
3. Doors and moving parts
4. Battery box (electric vehicles)
5. Chassis components
6. Hinges and mechanisms

Thinking always in an ideal behavior in case of frontal or rear impact, the longitudinal members will be designed to try to solve the different impacts to which they can be subjected and to predict the kinematics of the deformation to avoid excessive decelerations and intrusions both in the passenger compartment and in the vehicle (if any) with which it impacts.

The combination of hot-stamped longitudinal members with soft zones together with bumpers with laser-welded cross members are an example of innovation thanks to the application of new processes. Aluminum and multi-material solutions have also been developed in 2020 with different customers.

To improve the product solutions for side impact ,already in 2019 Gestamp brought to the market products with large dimensions in hot stamping such as the "One Piece Door Ring" and in 2020 innovation has been made in this product thanks to the application of the "patch" and "overlap patch" technique with the result of being able to double the size of these assemblies and obtain a complete side in one piece. These designs not only improve the weight of the product but also make it more economically attractive.

It has been 2020 the year in which we have continued to win contracts with our customers for this product.

As for the doors, different projects have been developed with customers in which, thanks to hot stamping, it has been possible to improve the product in steel.

Urban vehicles for the transport and mobility of medium-low capacity passengers (UPM Urban People Movers) will have to allow the entry and exit of passengers in a comfortable way, as far as possible very spacious and without forgetting the passive safety standards.

In this scenario, Gestamp has developed an integral system of sliding doors. The integration of the structural elements of the uprights in the sliding door is achieved and a resistant structure in the central body of the door is optimized. Included in this product are Edscha's latest innovations for sliding systems and automatic opening.

In the case of electric vehicles, battery protection has been one of the areas in which R&D has worked the most with its customers.

Gestamp has worked with its customers on various battery box projects during 2020 and has developed different product concepts depending on the type of mobility. In this way, it has been possible to validate designs with different metallic materials and different joining technologies.

These new concepts for battery boxes have been developed together with some of the main suppliers of cells in the market as well as cooling systems.

Regarding Chassis, Gestamp has been able to develop weight and cost optimal solutions for the communication of components on the platforms together with new developments of more economical paints. After several developments with customers, important contracts for series supply have been won in 2020.

Edscha developed several innovative projects with our customers focused on improving accessibility in vehicles and other mechanisms to increase safety in case of an accident.

## **8. SUBSEQUENT EVENTS**

There are no significant subsequent events as of 31<sup>st</sup> December 2020.

## 9. OPERATIONS WITH OWN SHARES

On 27 July 2018, the Parent Company entered into a liquidity agreement with JB Capital Markets, S.V., S.A.U., adapted to Circular 1/2017, of 26 April, of the CNMV. The framework of this agreement will be the Spanish stock markets.

This agreement stipulates the conditions in which the financial intermediary will operate for the account of the issuer, buying or selling own shares of the latter, with the sole objective of favouring the liquidity and regularity of their listing, and it will have a duration of 12 months, deemed to be tacitly extended for the same period, unless indicated otherwise by the parties.

The amount earmarked to the cash account associated with the agreement is 9,000 thousand euros.

The own shares at 31 December 2020 represented 0.07% of the Parent Company's share capital (0.12% as of 31 December 2019) and comprised 380,048 shares (688,549 shares as of 31 December 2019) at an average acquisition price of 3.55 euros per share (4.17 euros as of 31 December 2019).

The movements in 2020 and 2019 were as follows:

	Number of own shares	Thousands of euros
<b>Balance at December 31, 2018</b>	<b>1,078,834</b>	<b>6,041</b>
Increases/Purchases	11,706,626	54,488
Decreases/Sales	(12,096,911)	(57,657)
<b>Balance at December 31, 2019</b>	<b>688,549</b>	<b>2,872</b>
Increases/Purchases	12,011,344	32,885
Decreases/Sales	(12,319,845)	(34,408)
<b>Balance at December 31, 2020</b>	<b>380,048</b>	<b>1,349</b>

The sales price of the own shares during 2020 detailed in the previous table amounted to 33,758 thousand euros (56,783 thousand euros as of 31 December 2019), generating a negative result of 650 thousand euros (874 thousand euros as of 31 December 2019)

The total result amounting to 650 thousand euros (874 thousand euros as of 31 December 2019) was recognized under Unrestricted reserves (Note 17.2).



## 10. OTHER RELEVANT INFORMATION

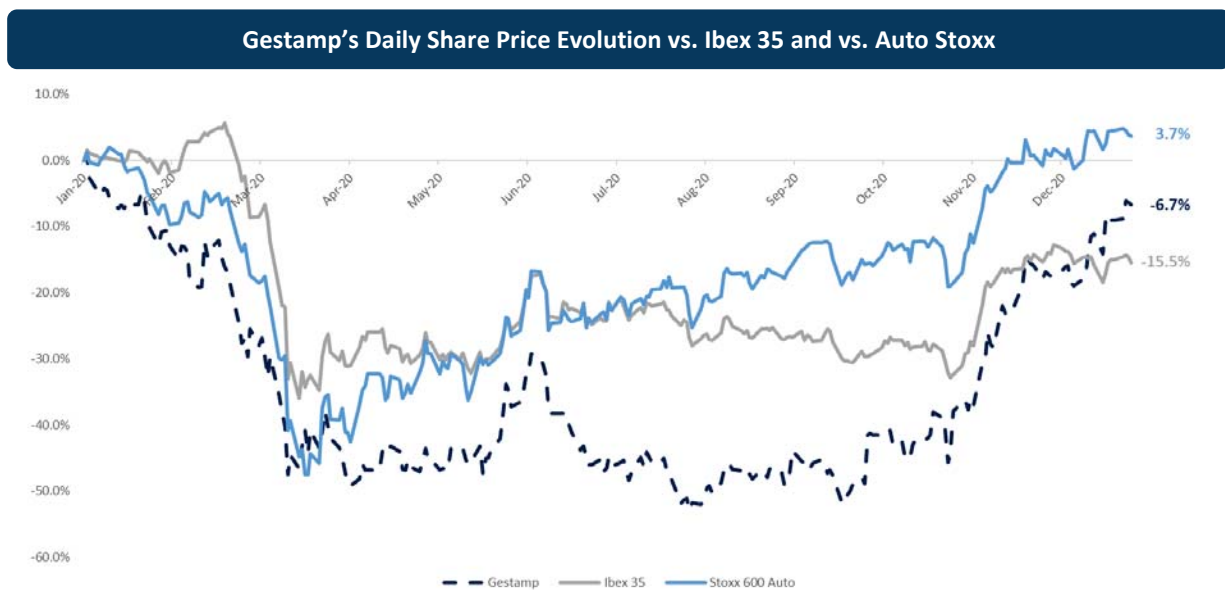
### 10.1 Stock Exchange Evolution

On April 7<sup>th</sup>, 2017, Gestamp made its debut as a publicly listed company on the Spanish stock exchanges (Madrid, Barcelona, Bilbao, and Valencia) under the “GEST” ticker. The final offering consisted of 156,588,438 shares (initial offering of 155,388,877 plus final over-allotment option of 1,199,561 shares corresponding to Greenshoe of 23,308,331 shares). The price was set at 5.60 euros per share, representing an initial market capitalization of €3,222 million.

Since December 2017, the company’s shares have been included in the IBEX Medium Cap index.

As of December 31<sup>st</sup> of 2020, 72.860% of the share capital was controlled (directly and indirectly) by Acek Desarrollo y Gestión Industrial S.L. (the Riberas Family industrial holding), being 60.335% owned by Acek and 12.525% by Mitsui. Gestamp’s total Free Float amounted to 27.140% as of December 2020 (including shares held by the Board of Directors and Gestamp own shares that JB Capital Markets operates under the liquidity contract).

Please see below for Gestamp’s share price evolution since January 1<sup>st</sup>, 2020:



Source: Bloomberg

As of December 31<sup>st</sup>, 2020, Gestamp’s shares decreased by -6.7% since the 1<sup>st</sup> of January, implying a market capitalization of €2,271 million at the end of the year. Total volume traded during 2020 stood at 232.5 million shares or €638.2 million.

The shares reached its maximum level for the year on January 2<sup>nd</sup> 2020 (€4.25) and its minimum level on July 30<sup>th</sup> 2020 (€1.99). During 2020, our average share price stood at €2.76.

The most relevant information regarding the stock's evolution in 2020 and 2019 is shown in the table below:

(€)	2020	2019
Total Number of Shares	575,514,360	575,514,360
Share Price at year end	3.95	4.23
Market Cap. at year end (in Thousands)	2,271	2,433
Maximum Price	4.25	5.72
Date of Max. Price	02/01/2020	18/04/2019
Minimum Price	1.99	3.35
Date of Min. Price	30/07/2020	01/11/2019
Average Price	2.76	4.68
Total Volume (in Shares)	232,547,384	200,639,528
Average of Daily Volume Traded (in Shares)	904,853	786,822
Total Turnover (in Millions)	638.16	934.19
Average of Turnover Traded (in Thousands)	2,483.11	3,663.49

Data as of December 31<sup>st</sup>, 2020. Source: Bloomberg & BME (Bolsa y Mercados Españoles)

## 10.2 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 14<sup>th</sup>, 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.

## 10.3 Credit 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 4<sup>th</sup>, 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 17<sup>th</sup>, 2016 with the tranche A2 of the new syndicated loan granted on May 20<sup>th</sup>, 2016. The maturity date of the bonds is May 15<sup>th</sup>, 2023.

On April 20<sup>th</sup>, 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 30<sup>th</sup>, 2026.

As of December 31<sup>st</sup>, 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 6<sup>th</sup>, 2020 by Standard & Poor's and November 23<sup>rd</sup>, 2020 by Moody's.

Corporate Credit Ratings	Current Rating	Outlook	Last Review
Standard & Poor's	BB-	Stable	06/08/2020
Moody's	B1	Positive	23/11/2020
Senior Secured Notes	Current Rating	Outlook	Last Review
Standard & Poor's	BB	Stable	06/08/2020
Moody's	B1	Positive	23/11/2020

## 10.4 Average Period for Payment to Suppliers

The internal processes and payment policy terms of the Spanish companies of the Group comply with the legal provision of the Law 15/2010, which establishes actions against late payment in commercial transactions. As a result, the contractual conditions in the year 2020 with commercial suppliers for parts manufactured in Spain have included periods of payment equal to or less than 60 days in 2020 and in 2019, according to the second transitory legal provision of the Law (Refer to Note 35).

For efficiency reasons and in line with common standards, the Spanish subsidiaries of the Group have in place a schedule for payments to suppliers, under which payments are made on fixed days, and twice a month in the case of the larger entities.

In general terms, during the fiscal periods 2020 and 2019, payments, for contracts agreed after the entry into force the Law 15/2010 made by Spanish entities to suppliers have not exceeded the legal limits of payment terms. Payments to Spanish suppliers which have exceeded the legal deadline for years 2020 and 2019 have been negligible in quantitative terms and are derived from circumstances or incidents beyond the established payment policy, which primarily include the closing of agreements with suppliers at the delivery of goods or provision of services or handling specific processes.

Additionally, as of December 31<sup>st</sup>, 2020 and 2019 there were no outstanding amounts to suppliers located in Spanish territory that exceeded the legal term of payment.

Independent Limited Assurance Report of the Consolidated Non-Financial Statement for the year ended December 31, 2020

GESTAMP AUTOMOCIÓN, S.A. and SUBSIDIARIES

## **INDEPENDENT LIMITED ASSURANCE REPORT OF THE CONSOLIDATED NON-FINANCIAL STATEMENT**

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the Shareholders of GESTAMP AUTOMOCIÓN, S.A.:

Pursuant to article 49 of the Code of Commerce we have performed a verification, with a limited assurance scope, of the Consolidated Non-Financial Information Statement (hereinafter NFS) for the year ended December 31, 2020, of GESTAMP AUTOMOCIÓN, S.A. and subsidiaries (hereinafter, the Group), which is part of the Group's accompanying Consolidated Management Report.

The content of the Management Report includes additional information to that required by prevailing mercantile regulations in relation to non-financial information that has not been subject to our verification. In this regard, our assignment has been exclusively limited to the verification of the information shown in table "Index of contents required by Law 11/2018" of the accompanying Statement.

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### **Responsibility of the Board of Directors**

The preparation of the NFS included in the Consolidated Management Report of GESTAMP AUTOMOCIÓN, S.A. and its content is the responsibility of the Board of Directors of the Group. The NFS was prepared in accordance with the content required by prevailing company law and in conformity with the criteria outlined in the *Global Reporting Initiative Sustainability Reporting Standards* (GRI standards) selected, as well as other criteria described in accordance with that indicated for each subject in table "Index of contents required by Law 11/2018" from the accompanying Management Report.

The Board of Directors are also responsible for the design, implementation and maintenance of such internal control as they determine is necessary to enable the preparation of a NFS that is free from material misstatement, whether due to fraud or error.

They are further responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the NFS is obtained.

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### **Our independence and quality control procedures**

We have complied with the independence and other Code of Ethics requirements for accounting professionals issued by the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of professional integrity, objectivity, competence, diligence as well as confidentiality and professional behavior.



Our Firm complies with the International Standard on Quality Control No. 1 and thus maintains a global quality control system that includes documented policies and procedures related to compliance with ethical requirements, professional standards, as well as applicable legal provisions and regulations.

The engagement team consisted of experts in the review of Non-Financial Information and, specifically, in information about economic, social and environmental performance.

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### **Our responsibility**

Our responsibility is to express our conclusions in an independent limited verification report based on the work performed, that refers exclusively to 2020. Our review has been performed in accordance with the requirements established in prevailing International Standard on Assurance Engagements 3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and the guidelines for verifying Non-Financial Statement, issued by the Spanish Official Register of Auditors of Accounts (ICJCE).

The procedures carried out in a limited assurance engagement vary in nature and execution timing and are smaller in scope than reasonable assurance engagements, and therefore, the level of assurance provided is likewise lower.

Our work consisted in requesting information from Management and the various Group units participating in the preparation of the NFS, reviewing the process for gathering and validating the information included in the NFS, and applying certain analytical procedures and sampling review tests as described below:

- ▶ Meeting with Group personnel to know the business model, policies and management approaches applied, the main risks related to these matters and obtain the necessary information for our external review.
- ▶ Analyzing the scope, relevance and integrity of the content included in the NFS for the year 2020 based on the materiality analysis made by the Group and described in section “Materiality”, considering the content required by prevailing mercantile regulations.
- ▶ Analyzing the processes for gathering and validating the data included in the 2020 Non-Financial Statement.
- ▶ Reviewing the information on the risks, policies and management approaches applied in relation to the material aspects included in the 2020 NFS.
- ▶ Checking, through tests, based on a selection of a sample, the information related to the content of the 2020 NFS and its correct compilation from the data provided by the information sources.
- ▶ Obtaining a representation letter from the Board of Directors and Management.

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## Conclusion

Based on the limited assurance procedures conducted and the evidence obtained, no matter has come to our attention that would cause us to believe that the Group NFS for the year ended December 31, 2020 has not been prepared, in all material respects, in accordance with the contents required by prevailing company law and the criteria of the selected GRI standards, as well as other criteria, described as explained for each subject matter in the table "Index of contents required by Law 11/2018" of the Management Report.

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## Use and distribution

This report has been prepared as required by prevailing mercantile regulations in Spain and may not be suitable for any other purpose or jurisdiction.

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

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Alberto Castilla Vida

February 24, 2021



*This document is a translation into English of an original document drafted in Spanish. This translation is for information purposes only, therefore, in case of discrepancy, the Spanish version shall prevail.*

**MODEL ANNEX I**

**ANNUAL CORPORATE GOVERNANCE REPORT OF  
LISTED COMPANIES**

**IDENTIFICATION DETAILS OF THE**

END OF REPORTING PERIOD 31/12/2020

Tax ID Code A48943864

Registered Name:  
GESTAMP AUTOMOCIÓN, S.A.

Registered Address:  
Polígono Industrial de Lebario, s/n, Abadiano, 48220, Bizkaia

**ANNUAL CORPORATE GOVERNANCE REPORT OF  
LISTED COMPANIES**

**A OWNERSHIP STRUCTURE**

A.1 Complete the following table about the share capital of the company:

Date of last change	Share capital (€)	Number of shares	Number of voting rights
03/03/2017	287,757,180	575,514,360	575,514,360

Remarks

State whether or not there are different classes of shares with different associated rights:

Yes  No

Category	Number of shares	Nominal value per share	Number of voting rights per share	Different rights

Remarks

A.2 Provide a breakdown of the direct and indirect holders of significant shareholdings as of the end of the financial year, excluding directors:

Individual or company name of shareholder	% voting rights attributed to the shares		% voting rights through financial instruments		% total voting rights
	Direct	Indirect	Direct	Indirect	
Acek Desarrollo y Gestión Industrial, S.L.	22.76	50.10	-	-	72.86

Remarks

Details of the indirect shareholding:

Individual or company name of indirect holder	Individual or company name of direct holder	% voting rights attributed to the shares	% voting rights through financial instruments	% total voting rights
Acek Desarrollo y Gestión Industrial, S.L.	Gestamp 2020, S.L.	50.10	00.00	50.10

Remarks

State the most significant changes in the shareholding structure that have occurred during the financial year:

Most significant changes

A.3 Complete the following tables about members of the board of directors of the company who have voting rights attached to the shares of the company:

Individual or company name of director	% voting rights attributed to the shares		% voting rights through financial instruments		% total voting rights	% voting rights that can be transferred through financial instruments	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
Mr. Francisco López Peña	0.14	-	-	-	0.14	-	-
Mr. Javier Rodríguez Pellitero	0.00	-	-	-	0.00	-	-
Mr. Alberto Rodríguez-Fraile Díaz	0.01	-	-	-	0.01	-	-
Mr. Pedro Sainz de Baranda Riva	0.02	-	-	-	0.02	-	-
Mr. Cesar Cernuda Rego	0.00	-	-	-	0.00	-	-

<b>Total percentage of voting rights held by the board of directors</b>	<b>0.17</b>
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Remarks
Mr. Javier Rodríguez Pellitero and Mr. Cesar Cernuda Rego hold a direct stake of 0.003% and 0.004%, respectively, which, together with the stake held by the other Directors, results in a total of 0.177%.

Details of the indirect shareholding:

Individual or company name of director	Name or company name of the direct holder	% voting rights attributed to the shares	% voting rights through financial instruments	% total voting rights	% voting rights that can be transferred through financial instruments

-	-	-	-	-	-
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<b>Remarks</b>

A.4 State, if applicable, the family, commercial, contractual, or corporate relationships between significant shareholders, insofar as they are known to the company, unless they are immaterial or result from the ordinary course of business, except those that are reported in section A.6:

Related individual or company name	Type of relationship	Brief description

A.5 State, if applicable, the commercial, contractual, or corporate relationships between significant shareholders and the company and/or its group, unless they are immaterial or result from the ordinary course of business:

Related individual or company name	Type of relationship	Brief description
Acek Desarrollo y Gestión Industrial, S.L. Gestamp Automoción, S.A.	Contractual	Gestamp Automoción, S.A. (hereinafter referred to as the "Company") and any companies belonging to its group, of which the Company is the parent entity, (hereinafter referred to as the "Group"), have a commercial, contractual or corporate relationship with a significant shareholder or companies belonging to its group. Although they results from the ordinary course of business undertaken under market conditions.  The relationship referred to is described in section D of this report to ensure proper transparency.

A.6 Describe the relationship, unless it is of little relevance to both parties, that exists between significant shareholders or representatives on the board and the directors, or their representatives, in the case of legal person directors.

Explain, where applicable, how significant shareholders are represented. Specifically, any directors who have been appointed on behalf of significant shareholders, those

whose appointment was encouraged by significant shareholders, or who are related to significant shareholders and/or entities in their group, specifying the nature of such relationships, shall be indicated. In particular, mention shall be made, where appropriate, of the existence, identity and position of members of the board, or representatives of directors, of the listed company, who are, in turn, members of the management body, or their representatives, in companies which hold significant shareholdings in the listed company or in group entities of these significant shareholders.

<b>Individual or company name of the related director or representative</b>	<b>Individual or company name of related significant shareholder</b>	<b>Company name of the group company of the significant shareholder</b>	<b>Description of relationship / position</b>
Mr Francisco José Riberas Mera	Acek Desarrollo y Gestión Industrial, S.L.	Acek Desarrollo y Gestión Industrial, S.L.	He has control of Halekulani, S.L., a company that, together with the company Ion-Ion, S.L., controls the significant shareholder Acek Desarrollo y Gestión Industrial, S.L. He is Director Acek Desarrollo y Gestión Industrial, S.L. group and of the companies of the group of which it is the parent company (hereinafter, "Acek Group").
Mr. Juan María Riberas Mera	Acek Desarrollo y Gestión Industrial, S.L.	Acek Desarrollo y Gestión Industrial, S.L.	He has control of Ion-Ion S.L., a company that, together with the company Halekulani, S.L., controls the significant shareholder Acek Desarrollo y Gestión Industrial, S.L. He is also Director of companies in the Acek Group.
Mr. Francisco López Peña	Acek Desarrollo y Gestión Industrial, S.L.	Gestamp 2020, S.L.	He is Director of Gestamp 2020, S.L.

Mr. Norimichi Hatayama	Acek Desarrollo y Gestión Industrial, S.L.	Gestamp 2020, S.L.	He is Director of Gestamp 2020, S.L.
Mr. Tomofumi Osaki	Acek Desarrollo y Gestión Industrial, S.L.	Gestamp 2020, S.L.	He is Director of Gestamp 2020, S.L.
Mr. Tomomfumi Osaki	Acek Desarrollo y Gestión Industrial, S.L.	GRI Renewable Industries, S.L., S.L.	He is Director of GRI Renewable Industries, S.L.

<b>Remarks</b>

A.7 State whether any private shareholders' agreements (*pactos parasociales*) affecting the company pursuant to the provisions of Articles 530 and 531 of the Companies Act (*Ley de Sociedades de Capital*) have been reported to the company. If so, briefly describe them and list the shareholders bound by the agreement:

Yes  No

Participants in the private shareholders' agreement	% of share capital affected	Brief description of the agreement	Expiration date of the agreement, if any
Acek Desarrollo y Gestión Industrial, S.L.	72.86	This private shareholders' agreement was formalised on 23 December 2016 and it was reported by virtue of a Significant Event on 7 April 2017 (Record No. 250532). It regulates, among other aspects, corporate governance matters relating to the General Shareholders' Meeting and the Board of Directors of both Gestamp 2020, S.L., and the Company, as well as the transmission regime of shares of the Company. For further information, see note included in Section H.	-
Mitsui & Co., Ltd			
Gestamp 2020, S.L.			
Mr. Francisco José Riberas Mera	72.86	This protocol was formalised on 21 March 2017 and it was reported by virtue of a Significant Event on 7 April 2017 (Record No. 250503). It regulates specific aspects relating to the ownership and management of the Acek Group. In particular, the protocol regulates the procedure for deciding the direction of the vote of Acek	-
Halekulani S.L.			
Mr. Juan María Riberas Mera			
Ion-Ion, S.L.			
Acek Desarrollo y Gestión Industrial S.L.			

		Desarrollo y Gestión Industrial, S.L., with respect to the agreements adopted in the General Shareholders' Meeting of the Company and of Gestamp 2020, S.L., the first refusal and tag along rights regarding shares of Acek Desarrollo y Gestión Industrial, S.L., and the regime to solve deadlock situations that could affect the Company. For further information, see note included in Section H.	
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<b>Remarks</b>

State if the company is aware of the existence of concerted actions among its shareholders. If so, briefly describe them:

Yes                       No

Participants in concerted action	% of share capital affected	Brief description of the concerted action	Expiration date of the agreement, if any

<b>Remarks</b>

Expressly state whether or not any of such agreements, arrangements or concerted actions have been modified or terminated during the financial year:

Not applicable

A.8 State whether there is any individual or legal entity that exercises or may exercise control over the company pursuant to section 5 of the Securities Market Act (*Ley del Mercado de Valores*). If so, identify it:

Yes                       No

<b>Individual or company name</b>
Acek Desarrollo y Gestión Industrial, S.L.

<b>Remarks</b>
Acek Desarrollo y Gestión Industrial, S.L., controls and has a 75% participation in the capital of Gestamp 2020, S.L. It is also the holder of 50.10% of the share capital and voting rights of the Company. Furthermore, Acek Desarrollo y Gestión Industrial, S.L., holds a 22.76% direct share in the capital of the Company. Therefore, Acek Desarrollo y Gestión Industrial, S.L., controls 72.86% of the voting rights of the Company.
The Riberas family has control of Acek Desarrollo y Gestión Industrial, S.L., given

that it is the indirect holder of its entire share capital through the companies Halekulani, S.L., and Ion-Ion, S.L. At present, Mr. Francisco José Riberas has control of Halekulani, S.L., and Mr. Juan María Riberas has control of Ion-Ion, S.L. The management body of Acek Desarrollo y Gestión Industrial, S.L., comprises two joint directors: Halekulani, S.L., (represented by Mr. Francisco José Riberas) and Ion-Ion, S.L., (represented by Mr. Juan María Riberas).

A.9 Complete the following tables about the company's treasury shares:

**As of year-end:**

Number of direct shares	Number of indirect shares (*)	Total % of share capital
380.048	0	0.07

Remarks
The number of treasury shares of the Company are those corresponding exclusively to the operations carried out under the liquidity contract signed between the Company and JB Capital Markets, Sociedad de Valores, S.A.U. and notified to the market by means of a Significant Event dated 24 September 2018 (record number 269864).

**(\*) Through:**

Individual or company name of direct holder of the interest	Number of direct shares
<b>Total:</b>	

Remarks

Explain any significant changes that have occurred during the year:

Explain any significant changes

A.10 Describe the conditions and duration of the powers currently in force given by the shareholders to the board of directors in order to issue, repurchase or transfer own shares of the company:

The Company's General Shareholders' Meeting, held on 3 March 2017, agreed, under point nine of the agenda, to authorise the Company's Board of Directors to acquire treasury shares subject to the following conditions:

- The acquisitions shall be undertaken by the Company itself or through subsidiary companies.
- The acquisitions shall be undertaken through purchases, swaps, dation in payment or through any other legally valid transaction.



- The maximum number of own shares shall not exceed that legally established.
- The minimum price shall be the nominal value.
- The maximum price shall be the market value on the date of the acquisition, increased by 10%.
- The authorisation is granted for a maximum term of 5 years starting from the date the agreement is adopted.

A.11 Estimated free float:

	%
<b>Estimated free float:</b>	29.93

<b>Remarks</b>

A.12 State whether there are any restrictions (statutory, legislative or of any kind) on the transfer of securities and/or any restrictions on voting rights. In particular, state whether there are any type of restrictions that may hinder the takeover of the company by means of the acquisition of its shares on the market, as well as any systems regarding prior authorisation or communication which, regarding the acquisitions or transfers of the company's financial instruments, are applicable to it by sectorial regulations.

Yes

No

<b>Description of restrictions</b>

There are no statutory or legislative restrictions on the transfer of securities and or voting rights.

As stated in Section A.7 of this Annual Corporate Governance Report, Acek Desarrollo y Gestión Industrial, S.L., Mitsui & Co., Ltd and Gestamp, 2020, S.L., formalised an agreement on 23 December 2016, which governs, among other aspects, the system for transferring the shares of the Company, owned by the shareholders who formalised said agreement. This transfer regime could hinder a takeover of the Company by means of the acquisition of its shares on the market. For further information see the Significant Event of 7 April 2017 (Record No. 250532) and the note included in section H.

Similarly, as stated in the aforementioned section, Mr. Francisco José Riberas Mera, Halekulani, S.L., Mr. Juan María Riberas Mera, Ion-Ion S.L., and Acek Desarrollo y Gestión Industrial, S.L., formalised a protocol on 21 March 2017, which governs, among other aspects, the procedure for deciding the direction of the vote of Acek Desarrollo y Gestión Industrial, S.L., in the Company. This the procedure for deciding the direction of the vote could hinder the takeover of the Company by means of the acquisition of its shares on the market. For further information, see the Significant Event of 7 April 2017 (Record No. 250503) and the note included in section H.

A.13 State whether or not the shareholders acting at a general shareholders' meeting have approved the adoption of breakthrough measures in the event of a takeover bid pursuant to the provisions of Law 6/2007.

Yes

No

Explain the approved measures and the terms on which the restrictions will become ineffective.

A.14 State whether or not the company has issued securities that are not traded on an EU regulated market.

Yes

No

If applicable, specify the different classes of shares, if any, and the rights and obligations attached to each class of shares.

The Company has issued promissory notes that are traded on the Alternative Fixed-Income Market (MARF).

Also, the Company has issued two senior notes traded on the Euro MTF market of the Luxembourg Stock Exchange, one through the wholly-owned investee Gestamp Funding Luxembourg, S.A., and the other in which the Company itself has acted as the issuer.

For further information relating to these debt instruments, see the website of the abovementioned markets: [www.bmerf.es](http://www.bmerf.es) and [www.bourse.lu](http://www.bourse.lu), respectively.

**B****GENERAL SHAREHOLDERS' MEETING**

B.1 State and, if applicable, describe whether or not there are differences with the minimum requirements set out in the Companies Act (LSC) regarding the quorum needed to hold a general shareholders' meeting.

Yes No 

	<b>% quorum differing from that established in Art. 193 of Spanish Capital Companies Act (LSC) for general cases</b>	<b>% quorum differing from that established in Art. 194 LSC for special cases pursuant to Art. 194 LSC</b>
<b>Quorum required on 1st call</b>		
<b>Required quorum upon 2nd call</b>		

<b>Description of the differences</b>

B.2 State and, if applicable, describe any differences from the rules set out in the Companies Act for the adoption of corporate resolutions:

Yes No 

Describe how they differ from the rules provided by the Companies Act.

	<b>Qualified majority other than that established in Article 201.2 of the Companies Act for the cases set forth in Article 194.1 of the Companies Act</b>	<b>Other instances in which a qualified majority is required</b>
<b>% established by the entity for the adoption of resolutions</b>		
<b>Describe the differences</b>		

B.3 State the rules applicable to the amendment of the by-laws of the company. In particular, disclose the majorities provided for amending the by-laws, and any rules provided for the protection of the rights of the shareholders in the amendment of the by-laws.

The By-laws of the Company do not establish different or additional rules to those set out by law for the amendment of by-laws.

In this regard, according to the provisions under Article 13.3 of the Company's By-laws, in order for the General Shareholders' Meeting to validly agree any by-law amendment, the following shall be required: on first call, the absolute majority of shareholders present, either in person or by proxy, provided they hold at least fifty percent of the subscribed share capital with voting rights; and, on second call, the favourable vote of two thirds of shareholders present, either in person or by proxy, at the General Shareholders' Meeting, when there are shareholders representing twenty-five percent or more of the subscribed share capital with voting rights, without reaching fifty percent.

- B.4 State the data on attendance at the general shareholders' meetings held during the financial year referred to in this report and those of the two previous financial years:

Date of general shareholders' meeting	Attendance data				% Total
	% of shareholders present in person	% of shareholders represented by proxy	% absentee voting		
			Electronic voting	Others	
25/06/2020	0.18	83.17	0	1.25	84.60
Of which free float:	0.00	10.81	0	1.25	12.06
06/05/2019	0.53	77.10	0	5.22	82.85
Of which free float:	0.36	7.31	0	5.22	12.89
07/05/2018	0.41	83.15	0	0.15	83.71
Of which free float:	0.27	11.88	0	0.15	12.30

Remarks
For the sake of clarity, the data on attendance in person includes those shareholders natural persons present at the General Shareholders' Meeting. On the other side, data on attendance represented includes shareholders natural persons represented by proxies present at the General Shareholders' Meeting and shareholders legal entities which are largely the majority of the share capital. Also, the data on % absentee voting ("others") includes those votes received by ordinary mail.

- B.5 State whether at the general meetings held throughout the year there were any items on the agenda that, for any reason, were not approved by the shareholders.

Yes  No

Agenda items not approved	% votes against (*)

(\*) If the non-approval of the item is due to a reason other than a vote against, it is to be explained in the text part, placing "n/a" in the column "% votes against".

- B.6 State whether or not there are any by-law restrictions requiring a minimum number of shares to attend the general shareholders' meeting, or to vote remotely:

Yes

No

Number of shares required to attend the general shareholders' meeting	
Number of shares required to vote remotely	

- B.7 State whether it has been established that certain decisions, other than those established by law, which involve the acquisition, disposal or contribution of essential assets to another company or other similar corporate operations, must be subject to the approval of the general shareholders' meeting.

Yes

No

Explanation regarding the decisions to be submitted to the board, other than those established by law

- B.8 State the address and method for accessing the company's website to access information regarding corporate governance and other information regarding general shareholders' meetings that must be made available to the shareholders through the Company's website.

On the Company's website ([www.gestamp.com](http://www.gestamp.com)), there is a Corporate Governance section, which can be accessed from the home page via the "Investors and Shareholders" section. In this section on Corporate Governance, information on the Company's corporate texts, the General Shareholders' Meeting and on the Board of Directors and its committees, among other content, can be accessed.

This section of "Corporate Governance" is accessible in two clicks from the home page.

## **C STRUCTURE OF THE COMPANY'S MANAGEMENT**

### **C.1 Board of directors**

C.1.1 Minimum and maximum number of directors provided for in the Articles of Association and the number set by the General Meeting:

<b>Maximum number of directors</b>	15
<b>Minimum number of directors</b>	9
<b>Number set by the general meeting</b>	12

<b>Remarks</b>

C.1.2 Complete the following table identifying the members of the board:

<b>Individual or company name of director</b>	<b>Representative of</b>	<b>Category of director</b>	<b>Position on the Board</b>	<b>Date of first appointment</b>	<b>Date of last appointment</b>	<b>Election procedure</b>
Mr. Francisco José Riberas Mera	-	Executive	Executive Chairman	22/12/1997	24/03/2017	General Shareholders' Meeting Agreement.
Mr. Juan María Riberas Mera	-	Proprietary	Vice-chairman	22/12/1997	24/03/2017	General Shareholders' Meeting Agreement.
Mr. Francisco López Peña	-	Executive	Member	05/03/2010	24/03/2017	General Shareholders' Meeting Agreement.
Mr. Tomofumi Osaki	-	Proprietary	Member	02/04/2020	02/04/2020	Agreement of the Board of Directors
Mr. Norimichi Hatayama	-	Proprietary	Member	24/03/2017	24/03/2017	Agreement of the Board of Directors
Mr. Alberto Rodríguez-Fraile Díaz	-	Coordinating Independent Director	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement.
Mr. Javier Rodríguez Pellitero	-	Independent	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement.
Mr. Pedro Sainz de Baranda Riva	-	Independent	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement.
Ms. Ana	-	Independent	Member	24/03/2017	24/03/2017	General

García Fau						Shareholders' Meeting Agreement.
Mr. César Cernuda Rego	-	Independent	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement.
Mrs. Concepción Rivero Bermejo	-	Independent	Member	29/07/2019	29/07/2019	Agreement of the Board of Directors
Mr. Gonzalo Urquijo Fernández de Araoz	-	Other External Directors	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement.

<b>Total number of directors</b>	12
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State any resignations, dismissals or vacancies that have occurred by approval of the General Shareholders' Meeting on the Board of Directors during the reporting period:

Individual or company name of director	Class of director at time of vacancy	Date of last appointment	Date of vacancy	Specialist Committees of which he/she was a member	Indicate whether the resignation/dismissal took place before the end of the term of office
Mr. Shinichi Hori	Proprietary	04/04/2018	31/03/2020	-	Yes
Mr. Katsutoshi Yokoi	Proprietary	04/04/2019	31/03/2020	-	Yes

<b>Reason for resignation/dismissal and other observations</b>
Mr. Shinichi Hori and Mr. Katsutoshi Yokoi resigned as a members of the Board of Directors and of the Company's Nomination and Compensation Committee by means of a letter sent to the Board of Directors in which they expressly justifies that his resignation is due to a change in their position within the organisational structure of Mitsui & Co. Ltd.

C.1.3 Complete the following tables about the members of the board and each member's status:

#### **EXECUTIVE DIRECTORS**

Individual or company name of director	Position within the company's structure	Profile
Mr. Francisco José Riberas Mera	Executive Chairman.	He holds a Degree in Law and a Degree in Business Management and Economics from the Comillas Pontifical University (ICADE E-3) of Madrid. He began his professional career by taking on different positions in the Gonvarri Group as Director of Corporate Development and later as

		<p>Managing Director. In 1997 he created the Company and since then he has been its Executive Chairman, shaping over time what the Group is today.</p> <p>He sits on the management bodies of other Group companies and of companies in the Acek Group (including companies in the Gonvarri Group, Acek Energías Renovables and Inmobiliaria Acek). He is also a member of other Boards of Directors outside the Acek Group such as: Telefónica, CIE Automotive, General de Alquiler de Maquinaria (GAM) and Sideacero. In addition, he participates in the Endeavor Foundation and is the Chairman of the Family Business Institute, among others.</p>
Mr. Francisco López Peña	CEO	<p>He holds a degree in Civil Engineering from the Polytechnic University of Barcelona and a Master of Business Administration (MBA) from the IESE Business School, Barcelona.</p> <p>He has extensive experience in the vehicle parts sector with over 22 years in the Group. Previously, he held executive management positions in companies in sectors such as industrial mining and textiles. In 1998 he joined the Group as Director of Corporate Development, becoming Vice Chairman and CFO in 2008 and then CEO in 2017 till 2020.</p> <p>He is a Director of several subsidiaries of the Company.</p>

<b>Total number of executive directors</b>	2
<b>Total % of the board</b>	16.67%

<b>Remarks</b>

#### **EXTERNAL PROPRIETARY DIRECTORS**

<b>Individual or company name of director</b>	<b>Individual or company name of the significant shareholder represented by the director or that has proposed the director's appointment</b>	<b>Profile</b>
Mr. Juan María Riberas Mera	Acek Desarrollo y Gestión Industrial, S.L.	He holds a Degree in Law and a Degree in Business Management and Economics from the Comillas Pontifical University (ICADE E-3) of Madrid.



		<p>He is currently Chief Executive Officer of the Gonvarri Group and the Group Acek Energías Renovables S.L.. He began his professional career in the Corporate Development area of the Gonvarri Group, where he later became Chief Executive Officer, a position he currently holds. In 2007, he promoted the creation of the Group Acek Energías Renovables, S.L., holding the position of Executive Chairman ever since.</p> <p>He is Chairman of the Board of Directors of Gonvarri and Acek Energías Renovables, S.L. and a member of the management bodies of the subsidiaries of these companies. He is also a member of the board of Acek Group companies (including the Inmobiliaria Acek Group). Outside the Acek Group, he sits on the Boards of Directors of CIE Automotivo, S.A. and companies in the Sideacero, S.L. Group. He is also a Director of the Juan XXIII Foundation, among others.</p>
Mr. Tomofumi Osaki	Acek Desarrollo y Gestión Industrial, S.L.	<p>He was graduated from the Economics faculty of the Wakayama University, Japan.</p> <p>For the last 29 years, he has been working at Mitsui Group developing his experience in the steel sector through a variety of executive positions worldwide. He currently is the Operating Officer of the Iron &amp; Steel Products Business Unit. Before joining the Mitsui Group, he was the Financial Officer at CAEMI Mineracao e Metalurgia for 7 years. At Mitsui Group, he was the General Manager in the Investment Department of Mineral &amp; Metal Resources Business Unit, and later post General Manager of the Investment Department of the Iron &amp; Steel Product Business Unit in Japan. After that, at Mitsui's New York Offices, he developed different executive positions such as General Manager in the Investment Department for the Financial Management Division, among others. After that, back in Tokyo, he was appointed General Manager of the Automotive Parts Business Division, and later General Manager of the Investment Administration Department.</p> <p>He is Director of certain companies belonging to Mitsui Group, and a company participated by Mitsui Group, Bangkok Coil Center. He is also Director of certain companies of Acek Group (including companies of Gestamp Automoción Group, and Gonvarri Group). In the past, he was part of the management bodies of some Mitsui Group's companies, Siam Yamato Steel, Vina Kyoei Steel, Mahindra Sanyo Special Steel, MS Avant, as well as, of the Board of Directors of Gestamp Automoción between 2017 and 2019.</p>
Mr. Norimichi Hatayama	Acek Desarrollo y Gestión	He has a bachelor's degree in Arts from the Tokyo

	Industrial, S.L.	<p>University of Foreign Studies (TUFS), and he holds an International Student Program from the Tecnológico de Monterrey University, Mexico.</p> <p>He has a wide professional experience in the steel sector, with more than 20 years working for Mitsui Group, through different positions worldwide. He is the General Manager of the Automotive Parts Department of the division of the same name. He started his professional career in 1998 at Mitsui, holding different positions at the Bar, Shapes &amp; Rails Division, as well as, at the Flat Rolled Steel Overseas Division, in Tokyo. From 2009 to 2015 he was Assistant General Manager of the Steel Product Division for the Middles East, Chief Representative of Al-Khobar Office and General Manager of the Metal Department of the Saudi Arabia branch of Mitsui. After that, and before holding his current position, he was appointed General Manager of the Rail Oversees Department of the Pipe, Plate, &amp; Rail Overseas Division.</p> <p>He is also Director of certain companies of Acek Group (including companies of the Gestamp Automoción Group).</p>
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<b>Total number of proprietary directors</b>	3
<b>Total % of the board</b>	25%

<b>Remarks</b>
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**EXTERNAL INDEPENDENT DIRECTORS**

<b>Individual or company name of director</b>	<b>Profile</b>
Mr. Alberto Rodríguez-Fraile Díaz	<p>He holds a Degree in Business Administration from the University of Miami and participated in the PADE programme (<i>Senior Business Management</i>) at the IESE Business School of Madrid. He also has certifications from the Securities Exchange Commission and the National Association of Securities Dealers, such as: Registered Options Principal, Financial and Operation Principal, Securities Principal.</p> <p>He started his professional career as a financial consultant at Merrill Lynch. Over the last 30 years he has worked for Asesores y Gestores Financieros (A&amp;G), a company of which he is a founding partner, shareholder and the Chairman of its Board of Directors. Furthermore, he is a member of the board of A&amp;G Group companies.</p>
Mr. Javier Rodríguez Pellitero	<p>He holds a Degree in Law and a Degree in Business Management and Economics from the Comillas Pontifical University (ICADE E-3) of Madrid.</p> <p>He is Secretary General of the Spanish Banking Association (AEB). He is also the Chairman of the Fiscal and the Legal Committee of the AEB, member of the Legal Committee of the European Banking Federation and member of</p>

	<p>the Consultation Committee of the National Securities Market Commission (CNMV). He started his professional career at the law firm Uría &amp; Menéndez and was subsequently a Head State Lawyer in Zamora. At the CNMV, he held several important positions, such as Managing Director of Legal Services and Secretary of the Board. He also acted as Secretary of the Special Work Group that produced the 2006 Unified Code of Good Governance for Listed Companies. He was also a member of the Commission of Experts that produced the 2015 Code of Good Governance for Listed Companies.</p> <p>He is also a Director of Engie España, S.L.U.</p>
Mr. Pedro Sainz de Baranda Riva	<p>He holds a Degree in Mine Engineering from the University of Oviedo and a PhD in Engineering from Rutgers University in New Jersey. He also holds a Master's Degree in Business Administration from the MIT, Sloan School of Management, Massachusetts.</p> <p>He is currently the founding partner of the investment company, Sainberg Investments. A large part of his professional career was undertaken at the United Technologies Corporation Group, where he held different managerial positions with an international scope. He started as an R&amp;D engineer at United Technologies, Connecticut, and later became the General Manager of Engineering and of New Technologies. He was the General Manager of New Installations at Otis Elevator in Mexico, Managing Director of Otis in Portugal, CEO of Zardoya Otis and Chairman of the Southern Europe and Middle East area at Otis Elevator Company and, finally, Executive Chairman of the Otis Elevator Company group.</p> <p>He is a member of the Board of Directors of Scalpers Fashion, Naturgy Energy Group and the Social Council of the Carlos III University of Madrid. In the past, he formed part of the management bodies of certain companies belonging to the Zardoya Otis Group. He is also member of the Board of the Princess of Asturias Foundation.</p>
Ms. Ana García Fau	<p>She holds a Degree in Law and a Degree in Business Management and Economics from the Comillas Pontifical University (ICADE E-3) of Madrid. She also holds a Master of Business Administration (MBA) from the MIT, Sloan School of Management, Massachusetts.</p> <p>She currently sits on the Boards of Directors of Euskaltel, Eutelsat, Merlin Properties, Finerge, DLA P and Globalvia. She started her professional career working at McKinsey &amp; Co., for Wolff Olins and Goldman Sachs International. She is also a member of the advisory councils of the mutual benefit fund of the Spanish Lawyers, Pictet Wealth Management España and Salesforce in EMEA.</p> <p>She started her career at McKinsey &amp; Company, Wolff Olins, and Goldman Sachs International. At TPI- Páginas Amarillas (Telefónica Group) she was General Director of the Corporate Development area and subsequently Chief Financial Officer. She formed part of the Boards of Directors of different companies under the TPI Group. In the Hibu Group (formally Yell) she held different managerial positions, such as CEO of Yell for business in Spain and Latin America for 7 years, and as Global General Director of Business Strategy and Development, as well as being a member of its Global Steering Committee, taking part of the company's digital transformation strategy.</p> <p>Furthermore, she was director of Cape Harbor Advisor, Renovalia Energy Group and Technicolor.</p>
Mr. César Cernuda Rego	<p>He holds a Degree in Business Administration and Marketing from the ESIC University, Business &amp; Marketing School, Madrid. Furthermore, he</p>

	<p>participated in the Managerial Development Programme (<i>PDD</i>) at the IESE Business School in Madrid, as well as in the Executive Leadership programme at Harvard University, Massachusetts.</p> <p>He started his professional career in the banking sector at Banco 21 (Banco Gallego) and subsequently worked at Software AG. Over the last 20 years he has held different managerial positions on an international level for Microsoft. These positions include being Managing Director of Microsoft Business Solutions in Europe, the Middle East and Africa; Global Vice-chairman of Microsoft Business Solutions; Vice-chairman of Sales, Marketing and Services at Microsoft Latin America, and Chairman of Microsoft for Asia-Pacific, Chairman of Microsoft Latin America and Vice-chairman of Microsoft Corporation.</p> <p>He is currently Chairman of NetApp, Inc.</p>
Mrs. Concepción Rivero Bermejo	<p>She holds a degree in Economics and Business Administration from the Autonomía University of Madrid, as well as an Advance Management Program from IESE, Madrid, and an Executive Program from Singularity University, California.</p> <p>She is partner of Seeliger y Conde, executive search firm. She started her career at Telyco (a subsidiary of Telefonica) as Product Marketing Director. After that, she was Marketing Director at Amena (now called Orange) and Marketing Director at Xfera (now called Yoigo). Later on, she worked for Nokia as CEO of the Iberia business and as SVP of Telefonica global business at Nokia for 7 years while also serving as a member of the Global Brand Board of the company. After that, she moved to Telefonica as Global Director of the Devices Business Unit, and later, as Global Marketing Director. Her last role at Telefonica was as Deputy General Director of Digital and Commercial Global Unit. Afterwards, she was Senior Advisor at Ericsson and President of the International Women Forum.</p> <p>She currently serves as independent director at Cellnex Telecom (IBEX35). She also serves as member of the advisory board of Mutual Society of Lawyers, Madein Mobile, member of the patronage of Tecnalia, as well as non executive chairman of Pentacom (Onivia). Furthermore, she is today member of the board of the Spanish Directors Association (AED) and Vice-President of International Women Forum Spain.</p>

<b>Total number of independent directors</b>	6
<b>Total % of the board</b>	50%

<b>Remarks</b>
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State whether or not any director classified as independent receives from the company or its group any amount or benefit for items other than director remuneration, or maintains or has maintained during the last financial year a business relationship with the company or with any company of its group, whether in the director's own name or as a significant shareholder, director or senior officer of an entity that maintains or has maintained such relationship.

If applicable, include a reasoned statement of the director regarding the reasons for which it is believed that such director can carry out the duties thereof as an independent director.

Individual or company name of director	Description of the relationship	Reasoned statement

Not applicable.

#### **OTHER EXTERNAL DIRECTORS**

Identify the other external directors and describe the reasons why they cannot be considered proprietary or independent directors as well as their ties, whether with the company, its management or its shareholders:

Individual or company name of director	Reasons	Company, officer or shareholder with which the director has ties	Profile
Mr. Gonzalo Urquijo Fernández de Araoz	He was a director of the Company for a continuous period of over 12 years.	Gestamp Automoción, S.A.	<p>He holds a degree in Economics and Political Science from Yale University, Connecticut and an MBA from Instituto de Empresa, Madrid.</p> <p>He is currently the Executive Chairman of Abengoa. He began his professional career in the banking sector, working in different positions for Citibank and Crédit Agricole. He later became Director and Chief Financial Officer of Corporación J M Aristrain and Chief Financial Officer of Aceralia Corporación Siderúrgica. In the ArcelorMittal Group he held different managerial positions, such as Vice President of Stainless Steel, Long Products and China, Head of the areas of AACIS, AMDS, or Director of Tubular Products, CSR, Communication, Institutional Relations and Occupational Safety. Subsequently, he was Director of Strategy at ArcelorMittal as well as Executive Chairman of Abengoa.</p> <p>He is a member of the Board of Directors of Ferrovial. He is also chairman of Hesperia Foundation and member of the Board of the Princess of Asturias Foundation. He was a member of the Board of Directors of Fertiberia, Holding Gonvarri, and of certain companies in the ArcelorMittal Group as well as of the following listed companies: Abengoa, Aceralia, APERAM, Atlantica Yield y Voco.</p>

<b>Total number of other external directors</b>	1
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<b>Total % of the board</b>	<b>8.33%</b>
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State the changes, if any, in the class of each director during the period:

<b>Individual or company name of director</b>	<b>Date of change</b>	<b>Former class</b>	<b>Current class</b>

<b>Remarks</b>

C.1.4 Complete the following table with information regarding the number of female directors for the last 4 financial years, as well as the status of such directors:

	<b>Number of female directors</b>				<b>% of total directors of each class</b>			
	<b>Year t</b>	<b>Year t-1</b>	<b>Year t-2</b>	<b>Year t-3</b>	<b>Year t</b>	<b>Year t-1</b>	<b>Year t-2</b>	<b>Year t-3</b>
<b>Executive</b>	0	0	0	0	0	0	0	0
<b>Proprietary</b>	0	0	0	0	0	0	0	0
<b>Independent</b>	2	2	1	1	33.33	33.33	20.00	20.00
<b>Other external</b>	0	0	0	0	0	0	0	0
<b>Total:</b>	2	2	1	1	16.66	16.66	8.33	8.33

<b>Remarks</b>

C.1.5 State whether the company has diversity policies in relation to the company's board of directors with regard to issues such as age, gender, disability, or professional training and experience. Small and medium-sized entities, according to the definition contained in the Auditing Act, shall report, as a minimum, on the policy they have established regarding gender diversity.

Yes  No  **Partial Policies**

If so, describe these diversity policies, their objectives, the measures and how they have been implemented and their results for the year. Also state the specific measures adopted by the Board of Directors and the Appointments and Remuneration Committee to achieve a balanced and diverse presence of directors.

If the company does not implement a diversity policy, explain why not.

<b>Description of the policies, objectives, measures and the way in which they have been implemented, as well as the results obtained</b>
The Selection Policy of the Board of Directors approved by the Company's Board of Directors on 14 December 2017, at the proposal of the Nomination and Compensation 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 Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors sets out the knowledge, skills, diversity and experience that the Board of Directors as a whole must possess such that it serves as a reference and support tool for the Selection Policy of the Board of Directors. This guide, approved on 14 December 2017 by the Board of Directors at the proposal of the Nomination and Compensation 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 view of the vacancy that arose during 2019 and in order to comply with the provisions of the Selection Policy of the Board of Directors and the Guidelines for the knowledge, skills, diversity and experience and to promote diversity in the Board, the Nomination and Compensation Committee agreed at its meeting on 25 July 2019 to adopt the measure that, given the equal knowledge and experience of the different candidates, it would be advantageous for the vacancy to be filled by a woman.

In this respect, in accordance with Article 41. 1. (b) of the Board of Directors' Regulations, the Nomination and Compensation Committee verified compliance with the aforementioned Board of Directors Selection Policy at its meeting on 17 December 2020, and no deficiencies in its implementation were identified.

- C.1.6 Explain any measures, if appropriate, approved by the appointments committee in order for selection procedures to be free of any implied bias that hinders the selection of female directors, and in order for the company to deliberately search for women who meet the professional profile that is sought and include them among potential candidates in order to allow for a balanced presence of men and women. Also explain whether these measures includes those to enhance the number of women in the senior management:

As set out in Section C.1.5. of the Board of Directors Selection Policy, which was approved, equal treatment and diversity shall be inspirational principles of director selection processes. The policy establishes that the selection process of possible directors shall be based on an analysis of the duties and the skills required to adequately meet the diversity profile of the Board of Directors, among other profiles, based on that set out in the Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors. The guide contains the main criteria that were followed to design the composition of the current Board of Directors and that are to be followed when it comes to filling future vacancies while no amendments are made.

Some of the stand-out principles include favouring the selection of candidates and the re-election of directors, who have the necessary knowledge and

experience, favouring diversity and preventing discrimination on grounds of gender, among other reasons.

In this sense, as described in section C.1.17, the action plan drawn up by the Nomination and Compensation Committee for the approval of the Board of Directors at its first meeting of 2021, includes some recommendations to be performed, between others, the monitoring of the fulfilment of the diversity principle stated in the Selection Policy of the Board of Directors and the Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors.

Additionally, as mentioned above, , the Company's Nomination and Compensation Committee agreed at its meeting of 25 July 2019 to adopt the measure that, given the equal knowledge and experience of the different candidates, it would be advantageous for the vacancies to be filled by women. In application of said measure, the Board of Directors finally appointed in 2019 Ms. Concepción Rivero Bermejo as a Director through the co-opted process, after a report from the Nomination and Compensation Committee.

If there are few or no female directors despite any measures adopted, if applicable, describe the reasons why:

Explanation of reasons

As referred to in section C.1.5., the Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors establishes as a fundamental principle, the promotion of the selection of candidates who, having the necessary knowledge and experience, benefit diversity, thus preventing discrimination on grounds of gender, among others. Notwithstanding the foregoing, during the 2020 financial year the aforementioned measures could not been because there have been no vacancies during the year due to the expiration of the positions of the Board of Directors (the vast majority of the positions expire in 2021) and, secondly, the first of the two vacancies occurring during the year was caused by the resignation of the Proprietaries Directors Mr. Shinichi Hori and Katsutoshi Yokoi, vacancies that, given his status as a proprietary director, was filled by other Directors, previously proposed as candidates by the shareholder Acek Desarrollo y Gestión Industrial, S.L. (at the proposal of Mitsui, in application of the shareholder agreement described in section A.7).

- C.1.7 Explain the conclusions of the appointments committee regarding verification of compliance with the director selection policy in order to enhance an appropriate composition of the Board.

The Nomination and Compensation Committee at its meeting on 16 December 2020 verified compliance with the Selection Policy of the Board of Directors in financial year 2020. During this year, only two vacancy occurred:

- On one part, in the context of the resignation submitted by Mr. Shinichi Hori and Mr. Katsutoshi Yokoi as proprietary members of the Board of Directors, with effect from 1 April 2020. The Company's Board of Directors formally recognised this resignation and, in accordance to the shareholders agreement between Acek Desarrollo y Gestión Industrial, S.L. and Mitsui & Co. Ltd. described in section A.7., co-opted Mr. Tomofumi Osaki and Mr Norimichi Hatayama as



members of the Board of Directors on a proprietary basis.

Prior to this, given the prospect of the resignation of the referred members, on 1 April 2020 the Nomination and Compensation Committee, in accordance with Article 529r of the Spanish Companies Act and Article 41.1. (f) of the Board of Directors' Regulations, drew up the corresponding report on the proposal for the appointment of Mr. Tomofumi Osaki and Mr Norimichi Hatayama. As stated in the aforementioned report, the Nomination and Compensation Committee took into account the Selection Policy of the Board of Directors and the Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors regarding the Board of Directors in its assessment of the proposed appointment and concluded that Mr. Tomofumi Osaki and Mr Norimichi Hatayama had the competence, experience and merits required to hold the position of member of the Board of Directors of the Company.

- Further on, in May 18, 2020, the Board of Directors submitted the ratification and reelection of the referred directors for the approval of the General Shareholders' Meetings issuing the relevant reports.

Also, in the same date, the Board of Directors submitted the proposal of ratification and reelection of Mrs. Concepción Rivero Bermejo as member of the Board, for the approval of the General Shareholders' Meeting.

- C.1.8 Explain, if applicable, the reasons why proprietary directors have been appointed at the proposal of shareholders whose shareholding interest is less than 3% of share capital:

Individual or company name of shareholder	Reason

State if there has been no answer to formal petitions for presence on the board received from shareholders whose shareholding interest is equal to or greater than that of others at whose proposal proprietary directors have been appointed. If so, describe the reasons why such petitions have not been answered:

Yes  No

Individual or company name of shareholder	Explanation

- C.1.9 State, where applicable, the powers and faculties granted by the board of directors to directors or to board committees:

Individual or company name of director or committee	Explanation
Mr. Francisco José Riberas Mera	In a meeting held on 3 March 2017, the Company's Board of Directors

	appointed Mr. Francisco José Riberas Mera as CEO, delegating to him all the powers inherent to the Board of Directors, including executive powers, except for those which cannot be delegated by law or under the Articles of Association.
Mr. Francisco López Peña	In a meeting held on 14 December 2017, the Company's Board of Directors appointed Mr. Francisco López Peña as CEO, delegating to him all the powers inherent to the Board of Directors, including executive powers, except for those which cannot be delegated by law or under the Articles of Association.

C.1.10 Identify, where applicable, the members of the board who hold the position of directors, representatives of directors or executives in other companies that form part of the listed company's group:

Individual or company name of director	Name of entity within the group	Position	Does he/she have executive duties?
Mr. Francisco José Riberas Mera.	Adral Matricería y Puesta a Punto, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering Deutschland GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering R&D, UK Limited	Chairman	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering R&D USA, Inc	Sole Director	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering Spain, S.L.	Chairman/CEO	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering France, S.A.S.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Tooling Erandio, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Beyçelik Gestamp Otomotiv Sanayi Anonim Sirketi	Vice-chairman	NO
Mr. Francisco José Riberas Mera.	Diede Die Development, S.L.	Representative (natural person) of	YES

		Sole Director (legal person).	
Mr. Francisco José Riberas Mera.	Edscha Automotive Components (Kunshan) Co., Ltd	Chairman	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive Hauzenberg, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive Hengersberg, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive Italia, S.R.L	Chairman	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive Kamenice, S.R.O.	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive Michigan, INC.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive SLP, S.A.P.I. DE C.V.	Chairman	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive SLP Servicios Laborales, S.A.P.I. DE C.V.	Chairman	YES
Mr. Francisco José Riberas Mera.	Edscha North America Technologies, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Edscha Briey, S.A.S.	Chairman	YES
Mr. Francisco José Riberas Mera.	Edscha Burgos, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Edscha Engineering France, S.A.S.	Chairman	YES
Mr. Francisco José Riberas Mera.	Edscha Engineering, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Hauzenberg Real Estate, GmbH & Co KG	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Hengersberg Real Estate, GmbH & Co KG	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Holding, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Hradec, S.R.O.	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Kunststofftechnik, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Santander, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Edscha Velky Meder, S.R.O.	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Gestamp 2008, S.L.	Chairman/CEO	YES
Mr. Francisco José Riberas Mera.	Gestamp Finance Slovakia, S.R.O.	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Almussafes Mantenimiento de Troqueles, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas	Gestamp Palau, S.A.	Representative	YES

Mera.		(natural person) of sole director (legal person)	
Mr. Francisco José Riberas Mera.	Gestamp Automotive India, Private Limited	Board Member	NO
Mr. Francisco José Riberas Mera.	Gestamp Holding Mexico, S.L	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Holding Argentina, S.L	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Autocomponents Dongguan, Co. Ltd	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Autocomponents Kunshan, Co. Ltd	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Abrera, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Aguas Calientes, S.A. de C.V.	Chairman/CEO	YES
Mr. Francisco José Riberas Mera.	Gestamp Alabama, LLC	Sole director	YES
Mr. Francisco José Riberas Mera.	Gestamp Aragón, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Aveiro- Industria e accesorios de Automoveis, S.A.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Bizkaia, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Cartera de Mexico, S.A. de C.V.	Chairman/CEO	YES
Mr. Francisco José Riberas Mera.	Gestamp Cerveira, Lda	Board Member	YES
Mr. Francisco José Riberas Mera.	Gestamp Chattanooga, LLC	Sole director	YES
Mr. Francisco José Riberas Mera.	Gestamp Esmar, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Estarreja, LDA	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Global Tooling, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Griwe Haynrode, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Griwe Westerburg, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Hardtech, A.B.	Board Member	NO
Mr. Francisco José Riberas Mera.	Gestamp Holding China, A.B.	Board Member	YES

Mr. Francisco José Riberas Mera.	Gestamp Holding Rusia, S.L.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Hungária Kft	CEO	YES
Mr. Francisco José Riberas Mera.	Gestamp Ingeniería Europa Sur, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Kartek Corp.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Levante, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Linares, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Louny S.R.O.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Manufacturing Autochasis, S.L	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Mason, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Metalbages, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Mexicana de Servicios Laborales, S.A. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Mexicana de Servicios Laborales II, S.A. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Navarra, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp North America, Inc.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp North Europe Services, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Noury S.A.S	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Palencia, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Polska Sp. Z. O. O.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Puebla II, S.A. De C.V.	Chairman	YES
Mr. Francisco José Riberas	Gestamp Puebla S.A. De C.V.	Chairman	YES

Mera.			
Mr. Francisco José Riberas Mera.	Gestamp Ronchamp, S.A.S.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Services India Private Limited	Managing Director/Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Servicios Laborales de Toluca S.A. de C.V	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Servicios, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Solblank Barcelona, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Solblank Navarra, S.L.U.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp South Carolina, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Automotive Chennai Private Limited	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Sweden, A.B.	Board Member	YES
Mr. Francisco José Riberas Mera.	Gestamp Tech, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Toledo, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Toluca S.A. de C.V.	Chairman/CEO	YES
Mr. Francisco José Riberas Mera.	Gestamp Tool Hardening, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Tooling Services, A.I.E.	Representative (natural person) of Managing Director/Chairman (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Vendas Novas Unipessoal, Lda	Board Member	YES
Mr. Francisco José Riberas Mera.	Gestamp Vigo, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Washington UK Limited	Managing Director/Chairman	YES

Mr. Francisco José Riberas Mera.	Gestamp West Virginia, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Automotive Chassis Products UK Limited	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Metal Forming (Wuhan) Ltd.	Managing Director/Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Prisma, S.A.S.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Tallent Limited	Managing Director/Chairman	YES
Mr. Francisco José Riberas Mera.	Beyçelik Gestamp Şasi Otomotiv	Vice-chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Wroclaw Sp.Z.O.O.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Sofedit S.A.S.	Chairman	YES
Mr. Francisco José Riberas Mera.	Ingeniería Global Metalbages, S.A.U.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Loire, S.A.F.E.	Representative (natural person) of Managing Director/Chairman (legal person)	YES
Mr. Francisco José Riberas Mera.	MPO Prodivers Rezistent, Srl	Board Member	NO
Mr. Francisco José Riberas Mera.	Çelik Form Gestamp Otomotiv, A.S.	Chairman	NO
Mr. Francisco José Riberas Mera.	Beyçelik Gestamp Teknoloji Ve Kalip Sanayi Anonim Şirketi	Board Member	NO
Mr. Francisco José Riberas Mera.	Matricería Deusto, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Automated Joining Solutions, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Mexicana de Servicios Laborales S.A. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Societe Civile Immobilière De Tournan	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Pune Automotive Private Limited	Chairman	NO
Mr. Francisco José Riberas Mera.	Todlem, S.L.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Try Out Services, S.L.	Representative (natural person) of sole director (legal person)	YES

Mr. Francisco José Riberas Mera.	Mursolar 21, S.L.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp 2017, S.L.U.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Technology Institute, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Tooling Engineering Deutschland GmbH	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Umformtechnik GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Chattanooga II, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering R&D USA, Inc.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive Slp, S.A.P.I. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Edscha Automotive Slp Servicios Laborales, S.A.P.I. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Auto Components (Wuhan) Co., Ltd.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Auto Components (Chongqing) Co., Ltd.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Auto Components (Shenyang) Co., Ltd.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Nitra, S.R.O.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp San Luis Potosí, S.A.P.I. De C.V	Chairman/CEO	YES
Mr. Francisco José Riberas Mera.	Gestamp San Luis Potosí Servicios Laborales, S.A.P.I. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Washtenaw, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering (Shanghai) Co., Ltd.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Hot Stamping Japan Co., Ltd.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp (China) Holding Co., Ltd	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Autotech Japan K.K	Board Member	YES
Mr. Francisco José Riberas Mera.	Reparaciones Industriales Zaldibar, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco López Peña	Autotech Engineering France, S.A.S.	Board Member	NO
Mr. Francisco López Peña	Beyçelik Gestamp Otomotiv Sanayi Anonim Sirketi	Board Member	NO
Mr. Francisco López Peña	Edscha Automotive Hauzenberg, GmbH	Joint and Several Director	YES
Mr. Francisco López Peña	Edscha Automotive Hengersberg, GmbH	Joint and Several Director	YES



Mr. Francisco López Peña	Edscha Automotive Italia, S.R.L	Board Member	NO
Mr. Francisco López Peña	Edscha Automotive Kamenice, S.R.O.	Joint and Several Director	YES
Mr. Francisco López Peña	Edscha Engineering France, S.A.S	Board Member	YES
Mr. Francisco López Peña	Edscha Engineering, GmbH	Joint and Several Director	YES
Mr. Francisco López Peña	Edscha Hauzenberg Real Estate, GmbH & Co KG	Joint and Several Director	YES
Mr. Francisco López Peña	Edscha Hengersberg Real Estate, GmbH & Co KG	Joint and Several Director	YES
Mr. Francisco López Peña	Edscha Holding, GmbH	Joint and Several Director	YES
Mr. Francisco López Peña	Edscha Hradec, S.R.O.	Joint and Several Director	YES
Mr. Francisco López Peña	Edscha Kunststofftechnik, GmbH	Joint and Several Director	YES
Mr. Francisco López Peña	Edscha Velky Meder, S.R.O.	Joint and Several Director	YES
Mr. Francisco López Peña	Gestamp 2008, S.L.	Board Member	NO
Mr. Francisco López Peña	Gestamp Autotech Japan K.K	Board Member	NO
Mr. Francisco López Peña	Gestamp Finance Slovakia, S.R.O.	Joint and Several Director	YES
Mr. Francisco López Peña	Gestamp Automotive India, Private Limited	Board Member	NO
Mr. Francisco López Peña	Gestamp Holding Mexico, S.L	Board Member	NO
Mr. Francisco López Peña	Gestamp Holding Argentina, S.L	Board Member	NO
Mr. Francisco López Peña	Gestamp Autocomponents Dongguan, Co. Ltd	Board Member	NO
Mr. Francisco López Peña	Gestamp Autocomponents Kunshan, Co. Ltd	Board Member	NO
Mr. Francisco López Peña	Gestamp Auto Components (Shenyang) Co., Ltd.	Board Member	NO
Mr. Francisco López Peña	Gestamp Auto Components (Tianjin) Co., Ltd.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Auto Components Sales (Tianjin) Co., Ltd.	Chairman	YES
Mr. Francisco López Peña	Gestamp Auto Components (Beijing) Co.,	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Aguas Calientes, S.A. De C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Aveiro- Industria E Acessorios De Automoveis, S.A.	Board Member	NO
Mr. Francisco López Peña	Gestamp Cartera De Mexico, S.A. De C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Cerveira, Lda	Board Member	YES
Mr. Francisco López Peña	Gestamp Estarreja, LDA	Board Member	YES
Mr. Francisco López Peña	Gestamp Holding China, Ab	Board Member	NO
Mr. Francisco López Peña	Gestamp Holding Rusia, S.L.	Board Member	NO
Mr. Francisco López Peña	Gestamp Kartek Corp.	Board Member	NO
Mr. Francisco López Peña	Gestamp Mexicana de Servicios Laborales, S.A. De C.V.	Vice-chairman	NO
Mr. Francisco López Peña	MPO Prodivers Rezistent, Srl	Board Member	NO
Mr. Francisco López Peña	Çelik Form Gestamp Otomotiv, A.S.	Board Member	NO

Mr. Francisco López Peña	Beyçelik Gestamp Teknoloji Ve Kalip Sanayi Anonim Şirketi	Board Member	NO
Mr. Francisco López Peña	Gestamp Mexicana de Servicios Laborales II, S.A. De C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp North America, Inc.	Board Member	NO
Mr. Francisco López Peña	Gestamp Noury S.A.S	Board Member	NO
Mr. Francisco López Peña	Gestamp Puebla II, S.A. De C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Puebla S.A. De C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Ronchamp, S.A.S.	Board Member	YES
Mr. Francisco López Peña	Gestamp Servicios Laborales de Toluca S.A. de C.V	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Automotive Chennai Private Limited	Board Member	NO
Mr. Francisco López Peña	Gestamp Toluca S.A. de C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Vendas Novas Unipessoal, Lda	Board Member	NO
Mr. Francisco López Peña	Gestamp Metal Forming (Wuhan) Ltd.	Board Member	NO
Mr. Francisco López Peña	Gestamp Tallent Limited	Board Member	NO
Mr. Francisco López Peña	Sofedit S.A.S.	Board Member	NO
Mr. Francisco López Peña	GMF Holding GmbH	Joint and Several Director	YES
Mr. Francisco López Peña	Beyçelik Gestamp Şasi Otomotiv	Board Member	NO
Mr. Francisco López Peña	Mexicana de Servicios Laborales S.A. de C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Pune Automotive Private Limited	Board Member	NO
Mr. Francisco López Peña	Todlem, S.L	Board Member	NO
Mr. Francisco López Peña	Mursolar 21, S.L	Board Member	NO
Mr. Francisco López Peña	Gestamp Auto Components (Wuhan) Co., Ltd.	Board Member	NO
Mr. Francisco López Peña	Gestamp Auto Components (Chongqing) Co., Ltd.	Board Member	NO
Mr. Francisco López Peña	Gestamp San Luis Potosí, S.A.P.I. De C.V	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp San Luis Potosí Servicios Laborales, S.A.P.I. De C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Hot Stamping Japan Co., Ltd.	Board Member	NO
Mr. Francisco López Peña	Gestamp (China) Holding Co., Ltd	Board Member	NO
Mr. Juan María Riberas Mera	Beyçelik Gestamp Otomotiv Sanayi Anonim Şirketi	Board Member	NO
Mr. Juan María Riberas Mera	Gestamp Automotive India, Private Limited	Board Member	NO
Mr. Juan María Riberas Mera	Gestamp Holding Mexico, S.L	Board Member	NO
Mr. Juan María Riberas Mera	Gestamp Holding Argentina, S.L.	Board Member	NO
Mr. Juan María Riberas Mera	Gestamp Holding Rusia, S.L.	Board Member	NO
Mr. Juan María Riberas Mera	Gestamp North America, Inc.	Board Member	NO
Mr. Juan María Riberas Mera	Todlem, S.L	Secretary	NO
Mr. Tomofumi Osaki	Gestamp Holding Mexico, S.L.	Board Member	NO
Mr. Tomofumi Osaki	Gestamp Holding Argentina, S.L.	Board Member	NO

Mr. Tomofumi Osaki	Gestamp North America, Inc.	Board Member	NO
Mr. Norimichi Hatayama	Gestamp North America, Inc.	Board Member	NO
Mr. Norimichi Hatayama	Gestamp Holding Argentina, S.L.	Board Member	NO
Mr. Norimichi Hatayama	Gestamp Holding Mexico, S.L.	Board Member	NO

<b>Remarks</b>

C.1.11 Identify, where applicable, the directors or representatives of legal entity directors of your company, who are members of the board of directors or representatives of legal entity directors of other companies listed on official stock exchanges other than those of your group, that have been reported to the company:

Individual or company name of director	Name of listed company	Position
Ms. Ana García Fau	Merlin Properties Socimi, S.A.	Board Member
	Eutelsat Communications, S.A.	Board Member
Mr. Francisco José Riberas Mera	CIE Automotive, S.A.	Board Member
	Telefónica, S.A.	Board Member
	General de Alquiler de Maquinaria, S.A.	Board Member
Mr. Juan María Riberas Mera	CIE Automotive, S.A.	Board Member
	Global Dominion Access, S.A.	Board Member
Mr. Pedro Sainz de Baranda Riva	Naturgy Energy Group, S.A.	Board Member
Mr. Gonzalo Urquijo Fernández de Araoz	Ferrovial, S.A.	Board Member
Mrs. Concepción Rivero Bermejo	Cellnex Telecom, S.A.	Board Member

<b>Remarks</b>

C.1.12 State and, where applicable explain, whether or not the company has established any rules regarding the maximum number of company boards on which its directors may sit, identifying, in turn, where it is regulated:

Yes                       No

<b>Explanation of the rules and identification of the document where it is regulated</b>
Pursuant to the provisions under Article 17 of the Regulations of the Board of Directors, natural persons who represent a legal entity Director and natural persons or legal entities who hold the position of director of more than eight (8) companies, of

which, at most, four (4) have their shares admitted to trade on national or foreign stock exchanges, may not be directors. For that purpose, positions held in asset-holding companies shall be excluded from the count and companies belonging to the same group are to be considered as one company.

C.1.13 State the amounts of the following items relating to the overall remuneration of the Board of Directors:

<b>Remuneration accrued in the year by the board of directors (thousands of euros)</b>	2,089.95
<b>Amount of pension rights accumulated by the current directors (thousands of euros)</b>	0
<b>Amount of pension rights accumulated by former directors (thousands of euros)</b>	0

<b>Remarks</b>
<p><b>The remuneration accrued in the year by the board of directors includes the reductions voluntary assumed by the members of the Board as consequence of the sanitary crisis derived by the COVID-19. This reductions have been the following:</b></p> <ul style="list-style-type: none"> <li>• <b>Directors in their condition as such: Reduction of 15% of total remuneration (fixed) for the year 2020.</b></li> <li>• <b>Executive Chairman: 50% off of his fixed remuneration for the year 2020.</b></li> <li>• <b>CEO: 15% off of his fixed remuneration between May and October of 2020.</b></li> </ul>

C.1.14 Identify the members of the company's senior management who are not executive directors and state the total remuneration accrued by them during the financial year:

<b>Individual or company name</b>	<b>Position/s:</b>
Mr. Manuel de la Flor Riberas	General Manager of Human Resources and Organisation
Mr. David Vázquez Pascual	General Manager of Legal, Tax and Corporate Governance
Mrs. Carmen de Pablo Redondo	Chief Financial Officer
Mr. Mario Eikelmann	Manager of the Chassis Business Unit and Sales Director of BIW
Mr. Fernando Macias Mendizabal	Manager of South Europe Division
Mr. Manuel López Grandela	Manager of the Mercosur Division
Mr. Juan Miguel Barrenechea Izarzugaza	Manager of the North America Division
Mr. Kevin Stobbs	Manager of the Asia Division
Mr. Torsten Greiner	Manager of the Business Mechanism Unite (Edscha)
Mr. Mario Eikelmann	Manager of the Chassis Business Unit and Sales Director of BIW
Mr. Javier Ignacio Imaz	Sales Manager

Number of woman senior managers

1

Porcentaje sobre el total de miembros de la alta dirección 10%

<b>Total senior management remuneration (in thousands of euros)</b>	4,256
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<b>Remarks</b>
The total remuneration figure for Senior Management also includes the 15% reductions of the fixed remuneration voluntary assumed by the senior managers as consequence of the sanitary crisis derived by the COVID-19.

C.1.15 State whether or not the regulations of the board have been amended during the financial year:

Yes

No

<b>Description of amendments</b>

In a meeting of the Board of Directors on 17 December 2020 and following a favourable report by the Audit Committee, certain amendments to the Regulations of the Company's Board of Directors were approved in order to, among other aspects, adapt them to the reform of the Good Governance Code for Listed Companies revised by the CNMV in June 2020.

In this regard, the following amendments have been made:

- Adaptation of Article 14 deriving from the new wording of Recommendation 4 relating to the relationship with shareholders, institutional investors and voting advisors.
- Adaptation of Articles 15 and 40 deriving from the new wording of Recommendation 8 relating to information transparency.
- Adaptation of Article 7 deriving from the new wording of Recommendation 14 relating to the director selection policy.
- Adaptation of Articles 20 and 22 deriving from the new wording of Recommendation 22 relating to the removal and resignation of directors.
- Adaptation of Article 20 deriving from the new wording of Recommendation 24 relating to the removal and resignation of directors.
- Adaptation of Article 38 deriving from the new wording of Recommendation 37 relating to composition of the executive committee.
- Adaptation of Article 40 deriving from the new wording of Recommendation 39 relating to qualitative composition of the audit committee.
- Adaptation of Article 40 deriving from the new wording of Recommendation 41 relating to the head of internal auditing.
- Adaptation of Article 40 deriving from the new wording of Recommendation 42 relating to the functions of the audit committee.
- Adaptation of Articles 8 and 40 deriving from the new wording of Recommendation 45 relating to the risk control and management policy.

- Adaptation of Article 40 deriving from the new wording of Recommendations 53 and 54 on the environmental, social and corporate governance policies.
- Adaptation of Articles 8 and 40 deriving from the new wording of Recommendation 55 on sustainability and on environmental and social aspects.
- Other amendments or improvements of a technical or wording nature on articles 1, 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 19, 20, 21, 22, 25, 28, 29, 30, 31, 32, 33, 34, 36, 37, 38, 39 and 40.

In compliance with Article 5.5 of the Regulations of the Board of Directors, the Company shall inform shareholders of amendments made to said regulations. To do that, a specific point shall be included on the agenda of the 2021 General Shareholders' Meeting.

- C.1.16 State the procedures for the selection, appointment, re-election and removal of directors. Describe the competent bodies, procedures to be followed and the criteria to be used in each procedure.

#### **Selection**

The aim of the Board of Directors Selection Policy is to establish the criteria, procedures and mechanisms that allow, as a whole, the Board of Directors to bring together sufficient knowledge, skills and experience to ensure appropriate governance of the company at all times.

The selection process of possible directors is to be based on an analysis of the duties and the skills required to adequately meet the profile of knowledge, skills, diversity and knowledge of the Board of Directors, based on that set out in the Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors and the Experience, Skills and Knowledge Matrix approved by the Nomination and Compensation Committee on October 31, 2019. The analysis will be undertaken by the Board of Directors, with advice from the Appointments and Remuneration Committee.

The outcome of such analysis will be set out in a justification report of the Board of Directors and of the Nomination and Compensation Committee. The justification report will be published on calling the General Shareholders' Meeting where the appointment or re-election of each director will be subject to ratification.

According to the needs to cover relating to the Board of Directors that the analysis detects, the Board of Directors, with support or guidance from the Nomination and Compensation Committee, will establish the minimum criteria that a candidate must meet to be considered in the selection process for the purpose of being appointed or re-elected as a member of the Board of Directors.

In the event of appointing Independent Directors, they may be considered as candidates from different external selection sources.

The Nomination and Compensation Committee, pursuant to the conducted prior analysis and establishment of the profile of potential director candidates, will submit a proposal to the Board of Directors regarding the

appointment or re-election of Independent Directors and it will draw up a justification report on said proposal and on the proposal of the other directors.

The Board of Directors will analyse the proposal and the justification report submitted by the Nomination and Compensation Committee. It will consider all of the information available for such purpose and it may decide, if appropriate, to submit its own proposal, or that produced by the Nomination and Compensation Committee, to approval of the General Shareholders' Meeting or, if appropriate, to undertake the appointment by means of co-option.

#### **Appointment and re-election**

The appointment and re-election of the members of the Board of Directors is governed under Article 16 and subsequent articles of the Regulations of the Board of Directors of the Company.

In this respect, it corresponds to the General Shareholders' Meeting to appoint and re-elect the members of the Board of Directors, without prejudice to the power of the Board of Directors to appoint members of the Board under its own powers of co-option.

The appointment or re-election of directors will be undertaken at the proposal of the Board of Directors in the case of non-Independent Directors. In the event of appointing or re-electing Independent Directors, the proposal must be undertaken by the Nomination and Compensation Committee. In any case, the referred to proposals must precede the report of the Nomination and Compensation Committee and the report of the Board of Directors.

#### **Removal**

As regards the removal of members of the Board of Directors, Article 20 of the Regulations of the Board of Directors establishes the reasons for which a director should relinquish his or her position. Directors who step down from their position before the end of their term in office, shall send a letter setting out their reasons for such move to all of the members of the Board (as stated in section C.1.19 of this report). Without prejudice to the fact that all the information is contained in the Annual Corporate Governance Report, the Company shall publish, as soon as possible and to the extent relevant for investors, the resignation in question, providing sufficient information on the reasons or circumstances given by the director.. Furthermore, said Article sets out the powers of the Board of Directors to propose the removal of its members to the General Shareholders' Meeting. As regards Independent Directors, only the Board of Directors may propose their removal, before the expiry of the term under the Bylaws for which they were appointed, when there is just cause, a takeover bid, merger or another similar corporate transaction that entails a change in the capital structure, and prior report of the Nomination and Compensation Committee.

C.1.17 Explain the extent to which the annual assessment of the board has led to

Description of amendments

significant changes in its internal organisation and the procedures applicable to its activities:

Pursuant to Article 36 of the Regulations of the Company's Board of Directors, the Board shall devote the first of its meetings of the year 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 undertaking of its functions by the Chairman of the Board of Directors and, should the position be held by a different person, by the chief executive of the Company, based on the report submitted to them by the Nomination and Compensation Committee; as well as (ii) the functioning of the Committees of the Board of Directors, based on the report they submit to it.

In this regard, the Nomination and Compensation Committee, at the request of the Chairman of the Board of Directors, began the coordination of the annual evaluation of the Board of Directors at its meeting on 29 October 2020, the results and action plan of which were addressed by the Board of Directors at its first meeting in 2021. In this respect, the action plan approved by the Board of Directors in relation to the result of the evaluation corresponding to financial year 2020 includes some recommendations to be carried out in 2021. Therefore, it is highlighted the a more dedication to EGS and Strategic matter being considered the possibility of constituting an internal committee that would address matters related to technology, sustainability or innovation. Also, the fulfilment of the diversity principle stated in the Selection Policy of the Board of Directors and the Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors will be monitored by the Nomination and Compensation Committee.

Describe the evaluation process and the areas evaluated by the board of directors assisted, where appropriate, by an external consultant, regarding the operation and composition of the board and its committees and any other area or aspect that has been subject to evaluation.

The evaluation process of the Company's Board of Directors began on 29 October 2020 and was coordinated by the Nomination and Compensation 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 this year has received advice from an external consultant that has helped in the evaluation process, consisting fundamentally of completing an evaluation form, the conducting of personal interviews between the external consultant and every member of the Board of Directors, the issuance of an evaluation report and the preparation of an action plan.

. The areas evaluated were as follows:

- Quality and efficiency of the Board of Directors.
- Diversity in the composition and functions of the Board of Directors.
- Performance of the Chairman of the Board of Directors.



- Performance of the CEO of the Company.
- Performance of the Secretary of the Board of Directors.
- Functioning and composition of the Audit Committee.
- Functioning and composition of the Nomination and Compensation Committee.

On 16 December 2020 the results of the evaluation were presented to the Nomination and Compensation Committee, as well as those regarding the evaluation of the Board of Directors, the Chairman of the Board of Directors, the CEO and the Secretary of the Board. On December 7, 2020 results were present on the Audit Committee. After analysing the results, each of the Committees issued a report on the evaluation. In addition, the Nomination and Compensation Committee with the advice of the external auditor, has approved 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, in line with the provisions of Article 36 of the Board of Directors' Regulations.

- C.1.18 For any years where the evaluation was assisted by an external consultant, list the business relationships between the consultant or any company in their group and the company or any company of its group.

As has been referred to in section C.1.17, this year, for the first time, and in compliance with Recommendation 36 of the Good Governance Code for Listed Companies, an external consultant has been used in evaluating the Board of Directors. In this regard, the Gestamp Group has not had any business relations with the external consultant beyond that of this service.

- C.1.19 State the circumstances under which the resignation of directors is mandatory.

- As set out in Article 20 of the Regulations of the Board of Directors, Directors must tender their resignation to the Board of Directors and actually resign if the Board considers it necessary at the request of a majority of two thirds of its membership and following a report in that regard from the Appointments and Remuneration Committee when they leave the posts, positions or duties with which their appointment as executive directors is associated;
- in the case of proprietary directors, when the shareholder whose interests they represent sells their entire shareholding, or when they sell an appropriate number of shares so that their shareholding in the Company is reduced;
- in the case of independent directors, when any of the circumstances which in accordance with the law prevents them from continuing to be considered as such suddenly occurs.
- when they are involved in any situation of incompatibility or prohibition provided for by law;
- when the Board is aware of a serious breach of their duties as directors, following a proposal or report by the Appointments and Remuneration Committee;
- when situations arise that affect them, whether or not related to their work in or for the Company, that could jeopardize its credit and

reputation.

when they lose respectability, capability, expertise, competence, availability or commitment to their duties to be a director of the Company. In particular, it is understood that this circumstance occurs when the director is indicted or summoned in criminal proceedings.

C.1.20 Are qualified majorities, different from the statutory majorities, required to adopt any type of decision?

Yes

No

If so, describe the differences.

Description of the differences

C.1.21 Explain whether or not there are specific requirements, other than the requirements relating to directors, to be appointed chairman of the board of directors.

Yes

No

Description of requirements

Neither the By-laws nor the Regulations of the Board of Directors establishes specific requirements different from those relating to directors being appointed as Chairman of the Board of Directors. However, in accordance with the provisions in the Board of Directors Selection Policy, it must ensure the capacity of candidates, standing for the position of Chairman of the Board of Directors, in terms of undertaking the position and, in particular, of undertaking the duties relating to the organisation and functioning of the Board of Directors.

C.1.22 State whether or not the articles of association or the regulations of the board set forth any age limit for directors:

Yes

No

	Age limit
Chairman	
CEO	
Board Member	

Remarks

C.1.23 State whether or not the articles of association or the regulations of the Board establish any limit on the term of office or any other stricter requirements in addition to those legally stipulated for independent directors, other than what is established in the regulatory provisions:

Yes

No

<b>Additional requirements and / or maximum number of terms</b>	
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C.1.24 State whether or not the articles of association or the regulations of the Board set out any specific rules for proxy-voting by means of other directors at meetings of the board of directors, the manner of doing so, and especially the maximum number of proxies that a director may hold, as well as whether or not any restriction has been established regarding the categories of directors to whom proxies may be granted beyond the restrictions imposed by law. If so, briefly describe such rules.

Pursuant to Article 19 of the Articles of Association and Article 36 of the Regulations of the Board of Directors, in the event that the directors cannot attend sessions of the Board of Directors in person, they may delegate their vote to another Director, together with the appropriate instructions, by means of a letter addressed to the Chairman.

In this respect, such representation shall be specially granted for each session and the Chairman shall decide, where doubt exists, on the validity of the proxies granted by directors who do not attend the session.

Non-Executive Directors may only delegate their representation to another non-Executive Director.

C.1.25 State the number of meetings that the board of directors has held during the financial year. In addition, specify the number of times the board has met, if any, at which the chairman was not in attendance. Proxies granted with specific instructions shall be counted as attendance.

<b>Number of meetings of the board</b>	9
<b>Number of meetings of the board at which the chairperson was not in attendance</b>	0

<b>Remarks</b>

State the number of meetings held by the coordinating director with the other directors, without the attendance or representation of any executive director:

<b>Number of meetings</b>	0
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<b>Remarks</b>

State the number of meetings held by the different committees of the board of directors during the financial year:

<b>Number of meetings of the Executive or delegated Committee</b>	N/A
<b>Number of meetings of the Audit Committee</b>	10

<b>Number of meetings of the Appointments and Remuneration Committee</b>	7
<b>Number of meetings of the Appointments Committee</b>	N/A
<b>Number of meetings of the Remuneration Committee</b>	N/A
<b>Number of meetings of the Committee _____</b>	N/A

C.1.26 State the number of meetings that the board of directors has held during the financial year and the data regarding member attendance:

<b>Number of meetings attended in person by at least 80% of the directors</b>	9
<b>% personal attendance out of total votes during the financial year</b>	99.07%
<b>Number of meetings attended in person, or by representatives with specific instructions, by all directors</b>	9
<b>% votes cast with personal attendance and representatives with specific instructions, out of the total votes during the financial year</b>	100%
<b>Remarks</b>	

C.1.27 State whether or not the annual individual accounts and the annual consolidated accounts that are submitted to the board for approval are previously certified:

Yes       No

Identify, where applicable, the person(s) that has(have) certified the individual and consolidated financial statements of the company for preparation by the board:

Name	Position
Mrs. Carmen de Pablo Redondo	Chief Financial Officer

<b>Remarks</b>
In accordance with Article 11.1 of the Regulations of the Company's Board of Directors, the Company's individual and consolidated financial statements are previously certified regarding their completeness and accuracy by the Company's Chief Financial Officer, with the approval of the Chairman.

C.1.28 Explain the mechanisms, if any, adopted by the board of directors to avoid any qualifications in the audit report on the individual and consolidated financial statements prepared by the board of directors and submitted to the shareholders at the general shareholders' meeting.

In accordance with the provisions under Article 15 and 40 of the Regulations of the Board of Directors of the Company, the Board of Directors shall seek to definitively prepare the financial statements in such a way that there is no qualification or reservation whatsoever by the auditors. However, when the Board of Directors considers that its criteria should be maintained, the Chairman of the Audit Committee shall explain to the shareholders the

content and scope of said qualifications or reservations at the corresponding General Shareholders' Meeting where the financial statements are submitted for approval.

Furthermore, among the duties of the Audit Committee of the Company that are set out in Article 40 of the Regulation of the Board of Directors, is the duty of informing the Board of Directors on the financial information that, due to its listed status, the Company must periodically make public, as well as the duty of supervising the preparation process, integrity and presentation of regulated financial reporting on the Company, checking that regulatory requirements are met and accounting criteria are correctly applied, thereby increasing the likelihood that there are no reservations in the annual audit reports.

Furthermore, during the year the Audit Committee and its Secretary have held meetings with the external auditor without the presence of the Management to ensure the auditing process of the individual and consolidated financial statements is undertaken correctly.

C.1.29 Is the secretary of the board a director?

Yes

No

If the secretary is not a director, complete the following table:

Individual or company name of the secretary	Representative
Mr. David Vázquez Pascual	N/A

Remarks

C.1.30 State the specific mechanisms established by the company to preserve the independence of the external auditors and also the mechanisms, if any, to preserve the independence of financial analysts, investment banks and rating agencies, including how the legal provisions have been implemented in practice.

The Company has established diverse mechanisms aimed at preserving the necessary independence of the auditor. Among them is one of the fundamental competencies of the Audit Committee (exclusively comprised by non-Executive directors, who were appointed based on their knowledge and experience in accounting, auditing and risk management, and with the majority of independent directors –including the Chairman–), which consists of monitoring the independence of the auditor and, particularly, of receiving information on matters that could put such audit at risk.

For such purpose, Article 40 of the Regulations of the Board of Directors establishes that the Audit Committee is entrusted with the following duties:

- Submitting proposals on the selection, appointment, re-election and replacement of the auditor.

- Receiving information and studying issues that may put the independence of the auditor at risk.
- Issuing once a year, prior to issuance of the auditor's report, a report expressing an opinion about the independence of the auditor of the financial statements. It must also expressly discuss the additional services provided by the auditor.

For that purpose, and in any case, the Audit Committee shall receive from the auditor the written confirmation of his or her independence in relation to the Company or to the companies connected with it, whether directly or indirectly, as well as detailed and itemised information on any kind of additional services provided and on the corresponding fees (including those provided by persons or companies connected to them), pursuant to the provisions in the legislation on the auditing of financial statements.

Furthermore, the Company has implemented mechanisms that govern the relationships of the Board of Directors with the auditor of the financial statements, ensuring that his or her independence is strictly respected. As established in Article 15 of the Regulation of Board of Directors:

- The Boards relationship with the auditor of the Company's financial statements and of the group's consolidated statements, shall be channelled through the Audit Committee.
- To prevent the work-related remuneration of external auditors from compromising their quality and independence, the Board of Directors shall not propose the hiring of auditing firms when the fees envisaged (for all concepts) exceed ten per cent of the revenue of said firm in Spain in the previous financial year.
- The Board of Directors shall seek to shall seek to definitively prepare the financial statements without qualifications or reservations of the auditor; however, when the Board of Directors considers that its criteria should be maintained, the Chairman of the Audit Committee shall explain to the shareholders the content and scope of such qualifications or reservations at the corresponding General Shareholders' Meeting where the financial statements are submitted for approval.
- The plenary session of the Board of Directors shall hold a meeting once a year with the auditor of the financial statements, in which the auditor shall report on the work undertaken, the evolution of the accounting situation and the risks to the Company.

Also, in compliance with the recommendations set out in Technical Guide 3/2017 of the National Securities Market Commission on audit committees of public interest entities, the Audit Committee, in its meeting on 28 June 2018, approved the Policy for the approval of services by the external auditor other than the auditing of the Company's financial statements which is intended as a series of criteria and procedures for the approval of non-prohibited services other than the auditing of financial statements provided by the external auditor.

In relation to the mechanisms established to preserve the independence of financial analysts, investment banks and rating agencies, on 24 February 2021, Board of Directors of the Company approved the Policy on Communication and Contact with Shareholders, Investors and Voting

Advisors which (i) establishes the basic principles that are to govern the Company's communication and contacts with its shareholders, institutional investors, voting advisors and other stakeholders, such as intermediary financial institutions, managers and depositories of the Company's shares, financial analysts, regulatory and supervisory bodies, rating agencies, information agencies and such like, and (ii) defines the communication channels that the Company makes available to them to maintain communication that is efficient, transparent and ongoing.

Furthermore, the Company has an Investor Relations Department which continuously deals with queries and recommendations from analysts and investors, rating agencies, bondholders, as well as those made by socially responsible investors (SRI). A telephone number and email address have been set up for such purpose.

C.1.31 State whether or not the Company has changed the external auditor during the financial year. If so, identify the incoming and the outgoing auditor:

Yes  No

Outgoing auditor	Incoming auditor

Remarks

If there has been any disagreement with the outgoing auditor, provide an explanation:

Yes  No

Description of the disagreement

C.1.32 State whether or not the audit firm performs other non-audit work for the company and/or its group. If so, state the amount of the fees paid for such work and the percentage they represent of the aggregate fees charged to the company and/or its group:

Yes  No

	Company	Companies of the Group	Total
Amount of other non-audit work (thousands of euros)	19	886	905
Amount of non-audit work / Amount of audit work (in %)	4%	25%	27%

Remarks
The total amount of the audit work for the Company amounts to 3,938

thousands of euros and includes fees related to (i) the legal audit of the individual and consolidated annual financial statements of the Group (ii) the review of the non-financial information of the consolidated management report and of the Sustainability Report for the year 2020 and (iii) some ratio reports and (iv) agreed procedures.

C.1.33 State whether the audit report on the financial statements for the prior financial year has observations or qualifications. If so, state the reasons given to the general meeting by the chairperson of the audit committee to explain the content and scope of such observations or qualifications.

Yes  No

Explanation of reasons

C.1.34 State the consecutive number of years for which the current audit firm has been auditing the financial statements of the company and/or its group. In addition, state the percentage represented by such number of financial years audited by the current audit firm with respect to the total number of financial years in which the statements have been audited:

	Individual	Consolidated
Number of continuous financial years	22	19

	Individual	Consolidated
Number of years audited by the current audit firm / Number of years that the company or its group has been audited (%)	96%	100%

Remarks

C.1.35 State whether or not there is any procedure for directors to obtain in good time the information required to prepare for meetings of management-level decision-making bodies and, if so, describe it:

Yes  No

Describe the procedure

As set out in Article 36 of the Regulations of the Board of Directors, annual meetings of the Board of Directors shall be convened with at least five (5) days' notice before the meeting is to be held. However, normally the sessions of the Board of Directors of the Company are called with a more extensive



time margin than that stated in the Regulations of the Board of Directors.

The agenda of the session, the date and place will always be included in the call of each meeting. The relevant documentation required so that the members of the Board can formulate their opinion and, if appropriate, cast their vote regarding the matters submitted for their consideration, is to be made available as soon as possible.

In this regard, in accordance with the provisions of Articles 19 of the Articles of Association and 30 and 34 of the Regulations of the Board of Directors, the person responsible for ensuring that the Directors receive all the necessary information in sufficient time and in the appropriate format is the Chairman of the Board of Directors, with the collaboration of the Secretary.

Furthermore, Article 22 of the Regulation of the Board of Directors establishes the duty of directors to sufficiently find out about and prepare for meetings of the Board and of the delegated bodies to which they belong, seeking sufficient information for it and the collaboration or assistance that they deem appropriate, which is to be paid for by the company.

In addition, Article 27 of the Regulations of the Board of Directors grants Directors the power to study the documentation deemed necessary, contact the heads of the departments affected and visit the corresponding facilities. For that purpose, the request shall be channelled through the secretary of the Board of Directors. Should it be rejected, delayed or incorrectly handled, it will be sent to the Audit Committee. In the event that said request is unnecessary or hinders the interests of the Company, it shall be definitively rejected.

C.1.36 State whether or not the company has established any rules requiring directors to inform the company —and, if applicable, resign from their position— in cases in which the credit and reputation of the company may be damaged:

Yes  No

<b>Explain the rules</b>

Pursuant to the provisions under Article 22 of the Regulations of the Board of Directors, among the duties of directors, is the duty to notify the Company of any type of judicial or administrative claim, or any other, in which they are involved that, due to its importance, could have a serious impact on the credit and reputation of the Company. In particular, all directors shall inform the Company if they are being investigated in a criminal cause and related court events. In this case, the Board of Directors, previous report issued by the Nomination and Compensation Committee, will adopt the relevant decision considering the Company interest.

Furthermore, Article 20 of the Regulation of the Board of Directors establishes the obligation of directors to relinquish to the Board of directors their position and to formalise, if applicable, the corresponding resignation, by request of the 2/3 of the Board, and previous favourable report issued by

the Nomination and Compensation Committee, when they no longer have the honour, suitability, solvency, competence, availability or commitment to their duties to be a director of the Company. In particular, it is understood that this circumstance arises in the event the director is being investigated in a criminal cause.

- C.1.37 Indicate, unless special circumstances have arisen that have been noted in the minutes, if the Board has been informed of or has somehow found out about a situation that affects a director, whether relating or not to his/her actions within the company, that may hinder its standing and reputation:

Yes  No

Name of director	Criminal case	Remarks

In the previous circumstance, state whether or not the Board of Directors has examined the case. If yes, give a reasoned explication on whether or not, according to the specific circumstances, measures have been adopted, such as the launching of an internal investigation, requesting the resignation of the director or proposing his/her dismissal. Furthermore, state whether or not the Board's decision was made with a report from the appointments committee.

Yes  No

Decision made / action taken	Duly substantiated explanation

- C.1.38 Describe any significant agreements entered into by the company that take effect, are amended, or terminate in the event of a change in control of the company as a result of a takeover bid, and the effects thereof.

There are none.

- C.1.39 Identify, on an individual basis in reference to directors, and on an aggregate basis for all other cases, and provide a detailed description of the agreements between the company and its management level and decision-making positions or employees that provide for compensation, guarantee or “golden parachute” clauses upon resignation or termination without cause, or if the contractual relationship is terminated as a result of a takeover bid or other type of transaction.

**Number of beneficiaries:** 1

**Type of beneficiary:**

CEO (Mr. Francisco Riberas Mera)

**Description of agreement:**

Gross severance equivalent to two (2) years of the fixed and variable remuneration that was in effect on the date of termination, when it arose through a unilateral decision of the Company.

**Number of beneficiaries:** 1

**Type of beneficiary:**

CEO (Mr. Francisco López Peña)

**Description of agreement:**

Severance pay equivalent to the fixed remuneration received at the time of dismissal or resignation, which the director would have received had he/she continued in the position from the dismissal date up until the termination date of his/her contract –up to a maximum of two years of fixed remuneration–, when the dismissal was a unilateral decision by the Company or when the resignation of the Executive Director was a result of changes in control of the Company.

**Number of beneficiaries:** 1

**Type of beneficiary:**

Senior Management

**Description of agreement:**

A member of Senior Management in the Company is to receive a 12-month notice period in the event that the Company terminates the working relationship or, alternatively, severance pay equivalent to the sum of remuneration corresponding to one year's fixed and variable salary, which was in effect on the date of termination.

State whether or not, beyond the cases set out in the regulations, such agreements have to be reported and/or approved by the decision-making bodies of the company or its group. If so, specify the procedures, cases set out and the nature of the decision-making bodies responsible for approving or reporting them:

	<b>Board of directors</b>	<b>General Shareholders' Meeting</b>
<b>Decision-making body approving the provisions</b>	Yes	No

	<b>Y E S</b>	<b>NO</b>
<b>Is the General Shareholders' Meeting informed of such provisions?</b>		x

<b>Remarks</b>

**C.2 Committees of the board of directors**

C.2.1 Describe all of the committees of the board of directors, the members thereof, and the proportion of executive, proprietary, independent, and other external directors of which they are comprised:

**EXECUTIVE COMMITTEE**

<b>Name</b>	<b>Position</b>	<b>Category</b>
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<b>% executive directors</b>	
<b>% proprietary directors</b>	
<b>% independent directors</b>	
<b>% other external</b>	

<b>Remarks</b>

Explain the functions delegated or attributed to this committee other than those already described in section C.1.10, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

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#### AUDIT COMMITTEE

<b>Name</b>	<b>Position</b>	<b>Category</b>
Mr. Javier Rodríguez Pellitero	Chairman	Independent
Mr. Juan María Riberas Mera	Member	Proprietary
Ms. Ana García Fau	Member	Independent

<b>% proprietary directors</b>	33.33%
<b>% independent directors</b>	66.67%
<b>% other external</b>	0%

Explain the functions, including, where appropriate, any extra ones provided for by law, attributed to this committee, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

The procedures and rules for the organisation and functioning of the Audit Committee are set out in Article 20 of the Articles of Association and Article 39 of the Regulations of the Board of Directors. Furthermore, Article 20 of the Articles of Association and Article 40 of the Regulations of the Board of Directors regulate the functions of the Audit Committee. For further information, see note included in Section H.

In relation to the activities carried out by the Audit Committee and how each of its functions has effectively been performed in financial year 2020, it will draw up an activity report which, as established in Article 39 of the

Regulations of the Board of Directors, shall be submitted for approval to the Board of Directors and published on the website whenever the General Shareholders' Meeting is held. The activities carried out by the Audit Committee during 2020 include, among others:

- the oversight and review and favourable report of the financial statements and the individual and consolidated management reports of the Company and its Group, as well as the non-financial information contained in the management report of the consolidated financial statements, for 2019;
- the oversight and review of the preparation and presentation process of regulated financial information (quarterly and half-yearly), both individual and consolidated for the year 2020.
- The review and favourable report on the proposal to distribute the profits for financial year 2019, initially approved by the Board of Directors, as well as the new profit distribution proposal, pursuant to Article 40.6 bis of Decree-law 8/2020 of 17 march on extraordinary urgent measures to address the financial and social impact of COVID-19, substituted the proposal initially formulated by the Board of Directors.
- Review of developments on IFRS and Spanish General Audit Plan.
- establishing the appropriate relationship with the external auditor with whom a meeting has been held on three occasions during the year in question in order to receive information on the progress of the audit and limited review work and the most relevant aspects of both;
- the approval of the of services by the external auditor other than auditing and the mandatory report on the independence of the external auditor;
- The annual evaluation of the External Auditor during financial year 2019, as well as the proposal to re-elect it for auditing the 2020 financial statements.
- periodical monitoring of the activities performed during the year by the Internal Audit Department and approval of the Internal Audit Plan and the corresponding budget for the year 2020;
- the oversight and periodic review of the Internal Control Over Financial Reporting system (hereinafter ICFRS) and the approval of its scope matrix for financial year 2020;
- the oversight and periodic review of internal risk control and management systems through the re-evaluation of the corporate risk map and updating of the risk assessment scales;
- reporting to the Board of Directors on related party transactions;
- the review and approval of the Group's Sustainability Report for financial year 2019;
- monitoring of the Code of Conduct and the functioning of the Whistle-blower Channel;
- the issuance of the evaluation report of the Audit Committee for the approval of the Board of Directors;
- the Internal Audit Function assessment, and
- the review an favourable report on the Annual Report on the Remuneration of Directors for the year 2019.
- The issuance of a favourable report on the amendment of the Regulations of the Board of Directors for their adaptation to the amendments established in the Good Governance Code for Listed Companies dated 26

June 2020.

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Identify any directors who are members of the audit committee and who have been appointed taking into account their knowledge and experience in the areas of accounting, auditing, or both, and report the date of appointment of the Chairperson of this committee.

<b>Name of directors with experience</b>	Ms. Ana García Fau
	Mr. Javier Rodríguez Pellitero
	Mr. Juan María Riberas Mera
<b>Date of appointment of the current chairperson</b>	24/03/2017

<b>Remarks</b>

#### APPOINTMENTS AND REMUNERATION COMMITTEE

<b>Name</b>	<b>Position</b>	<b>Category</b>
Mr. Alberto Rodríguez-Fraile Díaz	Chairman	Independent
Mr. Gonzalo Urquijo Fernández de Araoz	Member	Other external directors
Mr. Pedro Sainz de Baranda	Member	Independent

<b>% proprietary directors</b>	0%
<b>% independent directors</b>	66.67%
<b>% other external</b>	33.33%

<b>Remarks</b>

Explain the functions, including, where appropriate, any extra ones provided for by law, attributed to this committee, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

The procedures and rules for the organisation and functioning of the Nomination and Compensation Committee are set out in Article 21 of the Articles of Association and Article 39 of the Regulations of the Board of Directors. Furthermore, Article 20 of the Articles of Association and Article 41 of the Regulations of the Board of Directors regulate the functions of the Nomination and Compensation Committee. For further information, see note included in Section H.

In relation to the activities carried out by the Nomination and Compensation Committee and how each of its functions has effectively been performed in financial year 2019, it will draw up an activity report which, as established in Article 39 of the Regulations of the Board of Directors, shall be submitted for approval to the Board of Directors and published on the website whenever the General Shareholders' Meeting is held. The activities carried out by the Nomination and Compensation Committee during 2019 include, among others:

- the favourable reports on the dismissal of Mr. Shinichi Hori and Mr. Katsutoshi Yokoi as Directors and on the appointment by co-option of Mr. Tomofumi Osaki and Mr. Norimichi Hatayama as Directors;
- the issuance of the proposal to ratify and re-elect Ms Concepción Rivero Bermejo and of the corresponding mandatory report, as well as the issuance of the reports on the proposed ratification and re-election Mr Shinichi Hori and Mr Katsutoshi Yokoi, for the Ordinary General Shareholders' Meeting held on 25 June 2020.
- the approval of the Experience, Skills and Knowledge Matrix;
- favourable report on the voluntary resignation of Mr. Francisco Lopez Peña as CEO and on the appointment of Senior Managers;
- verification of the degree of achievement of the 2019 objectives in relation to the variable component of the remuneration of Executive Directors and the Management Committee, as well as the result of this component;
- proposing objectives in relation to the variable component of the remuneration of Executive Directors and the Management Committee for 2020;
- evaluation of compliance with the Company's Remuneration Policy and with the Policy for the Selection of the Board of Directors during 2019;
- the proposal for the new Directors' Remuneration Policy approved by the Annual General Shareholders' Meeting on 25 June 2020;
- review and proposal of the new Long Term Incentive Plan approved by the Board on 29 October 2020;
- the coordination of the evaluation of the Board of Directors, its Committees the CEO and the Secretary of the Board, together with the Coordinating Director, the Chairman of the Board of Directors, and the preparation of the required reports for approval by the Board of Directors;
- the review and favourable report on the 2019 Annual Report on Directors' Remuneration approved in a consultative manner by the Annual General Meeting on 25 June 2020, and the review of the content of the 2019 Annual Corporate Governance Report in all sections within its remit.

#### APPOINTMENTS COMMITTEE

Name	Position	Category
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<b>% proprietary directors</b>	
<b>% independent directors</b>	
<b>% other external</b>	

Explain the functions, including, where appropriate, any extra ones provided for by law, attributed to this committee, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

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#### REMUNERATION COMMITTEE

Name	Position	Category

<b>% proprietary directors</b>	
<b>% independent directors</b>	
<b>% other external</b>	

Explain the functions, including, where appropriate, any extra ones provided for by law, attributed to this committee, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

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#### COMMITTEE \_\_\_\_

Name	Position	Category

<b>% executive directors</b>	
<b>% proprietary directors</b>	
<b>% independent directors</b>	



<b>% other external</b>	
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Explain the functions, including, where appropriate, any extra ones provided for by law, attributed to this committee, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

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C.2.2 Complete the following table with information on the number of female directors on the committees of the board of directors at the end of the last four financial years:

	Number of female directors							
	Year t		Year t-1		Year t-2		Year t-3	
	Number	%	Number	%	Number	%	Number	%
<b>Executive Committee</b>	0		0		0		0	
<b>Audit Committee</b>	1	(33.33%)	1	(33.33%)	1	(33.33%)	1	(33.33%)
<b>Appointments and remuneration committee</b>	0	(0%)	0	(0%)	0	(0%)	0	(0%)
<b>appointments committee</b>	0		0		0		0	
<b>remunerati on committee</b>	0		0		0		0	
<b>committee _____</b>	0		0		0		0	

Remarks

C.2.3 State, where applicable, the existence of regulations of the board committees, where such regulations can be consulted, and any amendments made during the financial year. Also state if any annual report of the activities performed by each committee has been voluntarily prepared.

The Regulations of the Board of Directors thoroughly regulate the rules of composition and functioning, as well as the responsibilities of both the Audit Committee and the Nomination and Compensation Committee.

In favour of greater simplicity, avoiding duplications and aiming to facilitate

comprehension and application, a comprehensive regulation integrated into the Regulations of the Board of Directors has been chosen as opposed to a specific regulation for each Committee.

In a meeting of the Board of Directors on 17 December 2020 and following a favourable report by the Audit Committee, certain amendments to the Regulations of the Board of Directors were approved in order to adapt them to the new Good Governance Code for Listed Companies revised by the CNMV in June 2020. These amendments affected, among others, Article 40 of the Regulations of the Board of Directors, relating to the Audit Committee, in which changes were included to adapt its wording to Recommendations 8, 39, 41, 42, 53, 54 and 55 of the Code.

As a result of its adaptation to the Good Governance Code for Listed Companies, the recast text of the Regulations of the Board of Directors [shall be] published on the Company's website ([www.gestamp.com](http://www.gestamp.com)) in the sections "Investors and Shareholders", "Corporate Governance", "Board of Directors" and "Regulations of the Board" [following its entry in the Trade Registry and publication on the website of the CNMV]. The current Regulations of the Board of Directors may be consulted on the company's website ([www.gestamp.com](http://www.gestamp.com)) in the sections "Investors and Shareholders", "Corporate Governance", "Board of Directors" and "Regulations of the Board".

Likewise, the Regulations of the Board of Directors are registered, and therefore available to interested party, in the National Securities Market Commission, and in the Trade Registry of Biscay.

The activities reports are drawn up by the respective Committees and approved by the Board of Directors to be made available to shareholders at the Annual General Shareholders' Meeting, in accordance with the provisions contained in article 39 of the Regulations of the Board of Directors.

## **D RELATED-PARTY TRANSACTIONS AND INTRAGROUP TRANSACTIONS**

D.1 Explain, where applicable, the procedure and competent bodies for approving related party and intragroup transactions.

<b>Procedure for communicating the approval of related-parted transactions</b>

Article 8 of the Regulations of the Board of Directors assigns the Company's Board of Directors, among other duties, the responsibility of approving transactions that the Company, or companies belonging to the Group, performs 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 them, following 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.

Moreover, on 21 March 2017, Acek Desarrollo y Gestión Industrial, S.L., Gonvarri Corporación Financiera, S.L. and the Company signed the Protocol for Regulating Transactions with Related Parties of Gestamp Automoción, S.A. and its Subsidiaries. This agreement incorporates the general framework that regulates the relations of the Company and its subsidiaries, with its related parties, particularly the group of companies led by parent company Acek Desarrollo y Gestión Industrial, S.L. In this regard, the protocol defines the principles that all related-party transactions must follow, as well as the approval procedure for these transactions, which is the same as that set out in Article 529 III of the Companies Act.

D.2 Describe the significant transactions in terms of amount or subject matter made between the company or entities belonging to its group, and the company's major shareholders:

<b>Individual or company name of significant shareholder</b>	<b>Individual or company name of the company or entity within its group</b>	<b>Nature of the relationship</b>	<b>Type of transaction</b>	<b>Amount (thousands of euros)</b>
Acek Desarrollo y Gestión Industrial, S.L.	Acek Desarrollo y Gestión Industrial, S.L.	Contractual	Services received	5,867
Acek Desarrollo y Gestión Industrial, S.L.	Acek Desarrollo y Gestión Industrial, S.L.	Contractual	Unpaid interest due	1,080
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Purchase of goods, whether finished or not	1,125,677
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Sale of goods, whether finished or not	28,751
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Services received	17,893

Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Services rendered	2,073
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Unpaid interest due	1,631
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Sideacero, S.L.	Contractual	Sale of goods, whether finished or not	162,872
Acek Desarrollo y Gestión Industrial, S.L.	Inmobiliaria Acek, S.L.	Contractual	Services received	2,409
Acek Desarrollo y Gestión Industrial, S.L.	Inmobiliaria Acek, S.L.	Contractual	Financial Costs IFRS 16 (lease)	491

Remarks

- D.3 Describe the insignificant transactions in terms of amount or subject matter made between the company or entities belonging to its group, and the company's directors or officers:

Individual or company name of the directors or officers	Individual or company name of related party	Relation	Nature of the transaction	Amount (thousands of euros)
Mr. Francisco López Peña	N/A	Loan	Financing agreements: Loans.	3,000

- D.4 Report on the significant transactions made by the company with other entities belonging to the same group, provided they are not eliminated in the preparation of the consolidated financial statements and they are not part of the ordinary course of business of the company insofar as their purpose and conditions are concerned.

In any case, report any intragroup transaction carried out with entities established in countries or territories considered to be tax havens:

Name of entity within the group	Brief description of transaction	Amount (thousands of euros)

- D.5 Give details of any significant transactions carried out between the company or entities in its group and other related parties that have not been disclosed under the previous headings.

Company name of related party	Brief description of transaction	Amount (thousands of euros)

<b>Remarks</b>		

- D.6 Describe the mechanisms used to detect, determine, and resolve potential conflicts of interest between the company and/or its group, and its directors, executives, or significant shareholders.

Article 22 of the Regulation of the Board of Directors establishes the duty of directors to inform the Company of any direct or indirect situation of conflict that they or persons linked to them may have as regards the interests of the Company. In this sense, further to the communication duty of each Director in the event of a conflict of interest, on the occasion of the preparation of the annual accounts and the financial information for the first six months of the year, Directors must complete a form in which they state the existence of any conflict of interest between them and the Company.

Furthermore, Articles 21, 24, 25 and 26 of the Regulations the Board of Directors govern the duties of the directors as regards their abstention duty, non-competence, the use of non-public information and of company assets and the benefitting of business opportunities. Furthermore, those articles govern the Company's system of exemption, which shall be agreed at the General Shareholders' Meeting or by the Board of Directors, as appropriate, under the provisions set out in the Companies Act, the By-laws or in the Regulations of the Board of Directors of the Company.

With regard to the Senior Management, as stated in the Internal Code of Conduct in the Securities' Markets of the Company, they must act with loyalty, refrain from intervening or influencing in the decision making on those matters where they are conflicted, and not to access confidential information related to such conflict.

- D.7 Indicate if the company is controlled by another entity in the sense of Article 42 of the Code of Commerce, whether listed or not, and has, directly or through subsidiaries, business relations with said entity or any of its subsidiaries (different from those of the listed company) or undertakes activities related to any of them.

Yes                       No

Identify the subsidiaries listed in Spain and their relationship with the company: Indicate if it has publicly and specifically informed of the respective areas of activity and possible business relations between, on the one hand, the listed company or its subsidiaries, and, on the other, the parent company and its subsidiaries:

<b>Report on the respective areas of activity and the possible business relations between, on the</b>

As indicated in section D.2 of the report, during financial year 2020, the Acek Group has had the following business relations with the Gestamp Group:

- (a) Relations with Acek, holding company of the Acek Group, and subsidiaries of the Acek Group relating to:

- Supplies and centralised services provided by Acek to the Group: consolidated accounting services, centralised negotiating and formalisation of insurance,

centralised negotiating and formalisation of IT licences.

- Relations with Acek Energías Renovables, S.L., and its subsidiaries (promotes, constructs and operates renewable energy plants):
  - Provision of corporate management support services by the Group to Acek.
  - business relations consisting of the supplying of renewable energy by the subsidiaries of the Acek Renovables Group to the Group's companies for their operations.

(b) Relations with Holding Gonvarri, S.L., and its subsidiaries (“Gonvarri Group”).

The Gonvarri Group is a subgroup of the Acek Group, which manufactures, transforms and trades metal products; it has steel service centres (cutting and coating of sheet steel and its supply for industrial services) and it manufactures renewable energy structures (such as wind turbine shafts, infrastructures for photovoltaic farms and solar thermal plant elements).

The Group's companies have business relations with different subsidiaries of the Gonvarri Group, the activity of which is the steel service, and the Gonvarri Group is their entrusted steel service centre. As such, the Gonvarri Group acts not only as a provider of steel cutting and coating services, but also as a provider of said steel, acquiring it from the corresponding producer.

(c) Relations with Inmobiliaria Acek, S.L., and its subsidiaries (“Inmobiliaria Acek Group”).

Subgroup of the Acek Group dedicated to real estate activity.

The current business relations consist of the leasing of real estate by the subsidiaries of the Inmobiliaria Acek Group (as lessors) to the Group's companies (as lessees).

(d) Relations with Sideacero, S.L., and its subsidiaries (“Sideacero Group”):

A subgroup that imports, exports, buys, sells and brokers, on its own behalf or on that of third parties, ferrous and non-ferrous products, steel materials, and recoverable material and waste.

The business relations of the Group with the Sideacero Group consist of the provision of scrap metal management services by the subsidiaries of the Sideacero Group to the Group's companies.

Identify the mechanisms established to resolve possible conflicts of interest between the listed parent company and the other companies of the group:

Identify the mechanisms established to resolve possible conflicts of interest between the listed subsidiary and the other companies with the group:

As referred to in section D.1 of this report, on 21 March 2017, Acek Desarrollo y Gestión Industrial, S.L., Gonvarri Corporación Financiera, S.L., and the Company signed the Protocol for Regulating Transactions with Related Parties of Gestamp Automoción, S.A., and its Subsidiaries. This agreement incorporates the general framework that governs the relations between the Company, its subsidiaries, and its related parties, particularly with the group of companies under the parent company Acek Desarrollo y Gestión Industrial, S.L. In this regard, the protocol defines the principles that all related-party transactions must follow, as well as the approval procedure for such transactions, which is the same as that set out in Article 529 III of

the Companies Act.

- E.1 Explain the scope of the company's Risk Management System, including the system for managing tax risks.

The Group carries out its activities in many countries and regulatory, political and socio-economic environments, whereby it is exposed to different types of risks (strategic, operational, financial, regarding compliance and reporting) that can affect its performance and which, consequently, should be mitigated in the most effective way possible, with the aim of facilitating fulfilment of strategies and targets set.

In this regard, the Group has a Comprehensive Risk Management System (hereinafter SIGR) at corporate level that identifies, monitors and responds to the different types of financial and non-financial risks to which the Group is exposed, including within the category of financial or economic risks, those related to tax, contingent liabilities and other off-balance risks.

This SIGR, which the Group continued to develop and evolve in 2019, is based on the COSO ERM—Enterprise Risk Management—model (a systematic and detailed approach that helps identify occurrences, evaluate, prioritise and respond to risks related to achieving business objectives), and in the good practices referred to in the Code of Good Governance for Listed Companies and in Technical Guide 3/2017 on Audit Committees of Public Interest Entities.

In order to facilitate and promote effective, comprehensive and uniform management, the Group established the Comprehensive Risk Management System Policy (hereinafter “SIGR Policy”), the implementation of which extends to all companies belonging to the Group. Its scope covers all activities, processes, projects and business lines, as well as all geographical areas in which it operates.

The SIGR Policy, approved by the Board of Directors on 14 December 2017, covers the organisation, procedures and resources available to the Group to reasonably and effectively manage the risks to which it is exposed, thus making risk management an intrinsic part of the organisation's decision-making processes in terms of both the governance and administrative bodies and the management of operations. The policy identifies diverse risk categories, details the basic principles and guidelines for action that must be observed in risk management and control, specifies the bodies in charge of ensuring that the internal control and risk management systems function properly, defines their roles and responsibilities and the level of risk deemed acceptable.

In addition, the Group has a SIGR Corporate Procedure, approved by the Operational Risk Committee (hereinafter, “CRO”), dated 19 November 2018. This Procedure establishes the basic guidelines for the identification, assessment, management, response and reporting of different risks from each of the organisational areas.

The Group has a Corporate Risk Map, which is set as a key element of the SIGR, providing an overall picture of the relevant risks of the organisation based on uniform criteria, thus facilitating early identification of any events that could generate them and enabling anticipatory action aimed at preventing or, in the event of occurrence, minimising them. During the second half of 2020 financial year, the Group revised its Corporate Risk Map in the context of the COVID-19 crisis, in order to ensure that it responds to the Company's current situation and indeed represents a management tool that enables decisions to be made in an effective and informed manner.

It should be noted that in addition to corporate risk management, each of the Group's areas carries out more fragmented risk management through its corresponding managers. The work carried out by these managers is included in the Corporate Risk Map through the involvement of the members of the CRO, which is made up of top-



level executives, representatives of the Group's Divisions, Business Units and Corporate Departments.

- E.2 Identify the decision-making bodies of the company responsible for preparing and implementing the Risk Management System, including the system for managing tax risks.

The SIGR is a process led by the Company's Board of Directors and Senior Management and is the responsibility of each and every member within the Group. It is designed to provide reasonable assurance when achieving the SIGR targets, providing shareholders, other stakeholders and the general market with an adequate level of guarantee that protects generated value.

Although the SIGR is a process that affects and involves all of the Group's personnel, in accordance with the SIGR Policy approved by the Board of Directors, those entrusted with ensuring its smooth running and its functions are the following:

- The Board of Directors.

It is responsible for approving the SIGR Policy and fix an acceptable level of risk, as well as periodically monitoring the internal information and risk control systems in order to make sure that they are in line with the Group's strategy.

- The Audit Committee.

It is responsible for periodically supervising and reviewing the internal control and risk management systems, so that the main risks are adequately identified, managed and reported, receiving support in this task from the Internal Audit and Risk Management Department.

- The Risk Committees.

In addition to other committees set up at the level of the different organisational units to monitor specific risks (such as, among others, those associated with project management, information systems and regulatory compliance, including tax compliance); at corporate level there is the CRO and the Executive Risk Committee (CRE), made up of top-level executives, representatives of the Group's Divisions, Business Units and Corporate Departments. It is responsible for supporting the Board of Directors and the Audit Committee in their functions in relation with the control and management of risk. They are responsible for ensuring the proper functioning of the SIGR, as well as identifying, quantifying and managing the most significant risks that have an impact on their respective areas and the Group, ensuring that they remain at an acceptable level.

- Specific Risk Officers.

Their key responsibilities involve identifying and monitoring risks, reviewing the effectiveness of controls, overseeing action plans and collaborating on risks assessment and update.

- The Internal Audit and Risk Management Department.

In accordance with the rules governing the department, approved by the Audit Committee, the Internal Audit Department is responsible for coordinating the Group's risk management, among other things. The following key responsibilities have been set out in the SIGR Policy, in relation to such:

- Audit Committee support,
- coordination of risk identification and assessment processes through the preparation and updating of Risk Maps and

- coordination with the Risk Committees and with those responsible for specific risk management for risk measurement processes, controls, action plans and procedures required to mitigate them.

Within the Group structure, Internal Audit and Risk Management Department reports directly to the Audit Committee, which guarantees autonomy and independence in its functions and in the responsible supervision of the risk control and management system.

- E.3 State the main risks, including tax risks and insofar as those arising from corruption are significant (the latter being understood under the scope of Royal Decree Law 18/2017), which may affect the achievement of the business objectives.

The Group defines risk as any potential event, internal or external, that may negatively affect the achievement of the objectives regarding the various Group processes and, therefore, the materialisation of the Group's strategic objectives, its methods or its reputation. Given the nature of the sector and the geographical areas in which the Group operates, the organisation is subject to various risks that could impede the attainment of its objectives and the successful execution of its strategies.

The process of identifying and assessing the risks affecting the Group mainly took into account the following risk factors, for which the Group has put in place monitoring and response plans and measures:

- Operational Risks. Those related with potential losses or a reduction in activity due to inadequacies or failures in operations, systems, resources or processes:
  - Health and safety risk, in view of the characteristics of activities performed in our plants or other external fact as a pandemic.
  - Disruption of our customer supply chain due to various factors (both internal and external), such as:
    - supply problems concerning our suppliers, regarding quality or term.
    - prolonged breakdown of machinery, tools or plants,
    - other factors that occur without warning (such as meteorological disasters, earthquakes, floods, pandemics, etc.).
  - Incidents linked to the quality of our products, with potential repercussions on cost, liability and reputation.
  - Difficulties in hiring or retention of key staff, which is defined as executive staff in strategic positions, as well as highly qualified staff that are a valuable asset to the company.
  - Deviations in the profitability of projects, that could potentially result either in the issuance phase or in the production phase.
  - Security risks concerning computer applications and cyberattacks.
  - Uncertainty on sales volume prospects.
- Strategic Risks. Those that may arise as a consequence of choosing a specific strategy, as well as those of an external or internal nature that may significantly affect the attainment of objectives, the reputation and/or vision of the Group in the long term. These include:
  - Political and economic instability in the different countries where the Group operates.

- Concentrating the business on a limited number of customers. The automotive sector is highly concentrated on a specific number of customers.
  - Climate change and environmental risks: as an integral part of the automotive sector, we believe that our environmental impact must be analysed from the perspective of a vehicle's life cycle beyond the direct impact generated purely in the manufacturing process. Additionally, our stakeholders are showing increased commitment to climate change, among them, OEMs have increased their demand in this regard in the supply chain.
  - Development, adoption and assurance of the necessary technical skills at industrial level.
  - The Group's rate of progress towards “Data Driven” management through Industry 4.0 and the digitalisation of business processes in an environment of accelerated change.
- Reporting Risks. Those related with the reliability in the preparation, collection and presentation of financial and non-financial information, both internal as well as external, relevant to the Group.
  - Compliance Risks. Those related with the strict observance of legislation and regulations (external and internal), including tax-related, that affects the Group in the different markets and geographical areas in which it operates.

The risks associated with the criminal liability of legal entities, the impact of corruption in the different countries where the Group operates and unethical or irregular conduct are considered, among others. This category also includes risks arising from potential legislative and regulatory changes, and the Group's capacity to anticipate and ability to react such.

- Financial Risks. These include financial market risks, as well as contingent liabilities and other off-balance risks. The main risks in this scope to which the Group is exposed are fluctuating exchange rates affecting our operations in an international context; interest rates and the price of raw materials.

#### E.4 Identify whether the entity has a risk tolerance level, including one for tax risk.

The Group, in delivering its vision "*to be the automotive supplier most renowned for its ability to adapt business in order to create value for the client, while maintaining sustainable economic and social development*" assumes a prudent level of risk, seeking the right balance between value creation, sustainability and risk.

In this regard, the level of risk tolerance, including tax risks, is defined at corporate level in the SIGR Policy, approved by the Company's Board of Directors, and sets out that all risks that jeopardise compliance with the Group's strategies and objectives are to be kept at an acceptable low risk level.

The members of the Operational Risk Committee (CRO) and the Executive Risk Committee (CRE) took part in updating the Corporate Risk Map in financial year 2020. The main objectives of this updating process were to identify possible emerging risks and to assess all of the risks in terms of impact, probability of occurrence and effectiveness of the controls established, in accordance with the assessment scales defined annually, in order to adapt to the strategy and changes in our business environment and which will continue to be reviewed at least once a year for the same purpose. These assessment scales cover the different aspects of risk impact (financial, operational, regulatory framework and reputation) and entail suitable levels that allow

for a standardised risk assessment. These scales reflect the Group's appetite and level of risk tolerance.

E.5 State what risks, including tax risks, have materialised during the financial year.

The COVID-19 pandemic has generated a sanitary and economic crisis. That is why Gestamp has developed and is executing a Comprehensive Plan of Contingency in order to adapt to this situation enhancing the protection of people, contribution to the society, client service and business continuity.

Regarding Health and Safety, the Group has implemented a protocol with comprising of strict security measures aligned with regulatory law and with its clients, which has allowed employees to have a guide on how to act in the offices and in the plants, in order to protect them and their families. This would also allow to stop the virus expansion. Almost every contagion in the Group has been produced outside the facilities of the Group.

This pandemic has impacted the sales due to the initial closing of the plants all over the geographies of the Group as a consequence of the confinement or the macroeconomic situation, which led to a decrease on the production volumes globally. In this sense, the Group has handle this impact by executing flexibility measures.

On another hand, the early experience in China, country where the pandemic began, and where the Group develops its business, served as a lesson from an operative and health and safety point of view. This allowed to issue a contingency plan of plant boot after stop of activity and also a plan in case of resurgence of this virus.

In relation to purchases, the impact of Covid-19 has resulted in the need to manage a sudden stop and start of the supply chain that has caused tensions in the supplies of certain products, mainly raw materials. The Group has managed these tensions with greater monitoring of said supply chain, which has made it possible to guarantee supplies throughout the year, without impact on prices or costs and guaranteeing the volumes that have been needed at all times.

Faced with the Covid-19 crisis, Gestamp has made a significant effort to improve financial flexibility, including a greater emphasis on working capital management and a reduction in capex levels, preserving projects committed to customers, which has allowed increase liquidity and financing levels.

In general, the SIGR, together with the policies and the risk control and management systems that develop it, are making it possible to act quickly and efficiently on them and to establish, where appropriate, the appropriate action plans.

E.6 Explain the response and oversight plans for the entity's main risks, including tax risks, as well as the procedures followed by the company to ensure that the board of directors responds to any new challenges that arise.

The Group has defined a SIGR that entails organisation, procedures and resources, making it possible to identify, measure, assess, prioritise, and respond to risks to which the Group is exposed. In this regard, two mitigation and risk response levels can be determined: global elements or acts that respond to corporate risk management and other individual mechanisms that respond to each specific risk.

Among the global management elements and actions are the Group's Code of Conduct, the work carried out by the Ethics Committee, a body dependent on the Board of Directors that ensures compliance with the Code of Conduct, the Whistleblower Channel, together with other mechanisms broadly defined in the SIGR Policy.

In terms of individual risk, the Group has plans of management and monitoring adapted to the characteristics of each specific risk integrated within the company's systems and processes, and ensure that operational activities carried out are aligned with the Group's aims and targets.

In this sense, the Group currently has various organisational units or departments that analyse, continuously monitor and provide a response in various areas specialised in risk management, including: Internal control over financial information, Human Resources, Regulatory Compliance, Insurance, Corporate Social Responsibility, Quality, Operations Control, Corporate Security, Information Systems, Occupational Hazards Prevention, Project Management, Communication, Commercial, Financial Management and Development of advanced equipment. These units and departments form part of the Group's SIGR and are represented on the Risk Committees.

Parallel to the update of the 2020 risk map, the creation of an assurance map at the corporate level has begun, in which the main controls and response plans defined for the main risks are identified, from each of the main organisational units mentioned above.

Regarding the risks associated with COVID-19, the Board of Directors and the Group's Management are respectively carrying out a constant supervision and monitoring of the evolution of the effects of the pandemic at a global level and a monitoring of the risks identified as relevant, both financial and non-financial, in order to assess the impact that the pandemic epidemic could have on the evolution of the business and thus be able to take the appropriate measures to mitigate these risks.

## **F INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS IN RELATION TO THE PROCESS OF ISSUING FINANCIAL REPORTS (ICFRS)**

Describe the mechanisms making up the risk control and management systems with respect to the process of issuing the entity's financial information (ICFRS).

### **F.1 Control environment at the entity**

Indicate at least the following, specifying the main features thereof:

**F.1.1.** What bodies and/or functions are responsible for: (i) the existence and maintenance of an adequate and effective internal control over financial reporting system (ICFRS); (ii) the implementation thereof; and (iii) oversight thereof.

The Board of Directors has the ultimate responsibility for the existence and maintenance of an adequate and effective Internal Control over Financial Reporting System (hereinafter ICFRS). For these purposes, the Regulations governing Gestamp's Board of Directors establish in Article 8, section 3(a), as one of the non-delegable competences of this governing body, the approval of the "control and risk management policy, including fiscal risks, as well as regarding the regular monitoring of the internal information and control systems".

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 oversight); This Policy establishes that the Group's Financial Management is responsible for the design, implementation and operation of the ICFRS with the assistance of the Internal Control Function.

Within the scope of these functions, the Internal Control Function should promote awareness of the importance of internal control in the different countries in which the Group is present, promoting, starting with awareness of control requirements at all organizational levels of the Group, all of this through continuous monitoring and support in their work, both in defining the documentation associated with the ICFR, validating the design and effectiveness of the controls, as well as the implementation of the identified action plans.

The oversight of the ICFRS is the responsibility of the Audit Committee. Article 40, section 6.b) of the Regulations of the Board of Directors sets forth that the Audit Committee has, among others, the competences of "overseeing the preparation process, integrity and presenting regulated financial reports on the Company, ensuring regulatory requirements are met and accounting criteria are correctly applied" and also "periodically reviewing the internal control and risk management systems, including fiscal risks". To this end, the Audit Committee relies on the Internal Audit Department, which has rules regulating the task of overseeing the effective functioning of the internal control system.

**F.1.2** Whether any of the following are in place, particularly as regards the financial information preparation process:

- Departments and/or mechanisms in charge of: (i) the design and revision of the organisational structure; (ii) clearly defining the lines of responsibility and authority, with an appropriate distribution of work and duties; and (iii) ensuring that there are sufficient procedures

for the proper dissemination thereof at the entity.

The Group's Human Resources and Organisation Management and the Board of Directors through its Executive Chairman are in charge of defining and modifying the organisational structure of the Group at a high level, with the monitoring support by the Nomination and Compensation Committee. In addition, the different organisational units have the autonomy to develop and propose changes in their respective organisational structures using the criteria established by the abovementioned bodies. Any proposal for organisational change is communicated to the Group's Human Resources and Organisation Department in order to be validated and registered in the Human Resources Corporate System, the organisational management module SAP HCM and its contribution on the organisation charts published on the Company's intranet. These organisation charts graphically represent the relationships between the different Group departments.

For each role defined, the Human Resources and Organisation Department has descriptions of high-level roles called "jobs" which include the managers involved in the process of drawing up the financial reports. In addition, for Group companies that are production centres where there are quality certifications, the specific jobs are described in accordance with the tasks carried out by the different people in the team at each plant.

The ICFRS documentation includes a risk and control matrix where, individually for each control, both the responsible organisational structures and the owners of each of the controls have been identified in relation to the financial reporting process.

- Code of conduct, body that approves it, degree of dissemination and instruction, principles and values included (indicating whether the recording of transactions and the preparation of financial information are specifically mentioned), body in charge of reviewing breaches and of proposing corrective actions and penalties.

The Group has, since 2011, a Code of Conduct which sets out the standards of ethical conduct that the Group requires from all of its employees and which is available on the Group's website.

In 2018, the Code of Conduct was updated by the Board of Directors.

As was done in 2011 for its initial launch, during 2018 the Group carried out a plan to disseminate the new Code of Conduct among employees in all jurisdictions, in which it also requested confirmation of receipt and of reading it. Likewise, as part of the welcome plan for new Group employees, a copy of the Code of Conduct is provided and adherence to it is requested.

Regarding training, all Group employees must have completed the Code of Conduct presentation course at least once, which can be carried out in one of the following ways:

- Online training (through the Company Corporate University). When a new employee joins the Group, they automatically receive a notification to their email address inviting them to take the training on the Code of Conduct (available in all of the Group's languages), also receiving a copy of the Code of Conduct in electronic format. Moreover, this training course is permanently available and, therefore, it can be seen if any questions arise after the initial training.
- Face-to-face training. For cases where the employee does not have access to a device that allows them to carry out training online. The same documentation as that available in the online training programme is included in the induction

plan for people who carry out this type of training.

In either of the two cases, the Group requests acknowledgment from the employee that they have carried out the training on the Code of Conduct; with regards to face-to-face training, this documentation will consist of physical acknowledgment of receipt signed by the employee and which is filed away by the plants; and with regards to online training, the system itself requests confirmation from the user that they have carried out the course on the Code of Conduct.

In addition, and on an annual basis, an external company will perform an audit to check, by interviewing a representative percentage of the staff at each company, their knowledge of the Code of Conduct. The questions include the existence of the Code of Conduct, its accessibility, if it is effective, etc. According to the results, Human Resources Managers identify whether it is necessary to implement a plan of action in relation to the Code of Conduct. During the 2020 financial year, this external audit could not be carried out due to the limitations imposed by COVID\_19.

In relation to the financial information, there is a section in the Code on "Integrity towards our shareholders and business partners", which establishes that acting responsibly and with transparency goes hand in hand with protecting value. All employees create value for the shareholders when they put the company's interests first, when they ensure that business records are accurate and when they properly protect the company's resources, its information and assets. Furthermore, this section also includes a rule corresponding to "Information management", which explicitly indicates that the honest, accurate and objective collection and presentation of information, whether financial or any other kind, is essential for the Group. Therefore, an employee of the Group:

- Must not falsify any kind of information, whether financial or any other kind.
- Must not deliberately enter any false or misleading data into any report, record, file or expenses claims.
- Must not accept contractual obligations on behalf of Gestamp that exceed the authority the company has given them.
- Must fully cooperate with auditors, ensuring the accuracy of the information provided.

Both the Compliance Office mailbox and the SpeakUp line are available both on the intranet and on the Group's website.

The Regulations of the Ethics Committee establish the indemnity of complainants in good faith and, at the same time, preserve the honor and the presumption of innocence of all employees against malicious or unfounded communications.

The Group's Whistleblower Channel allows the communication of breaches of the Code of Conduct of any nature, including irregularities of a financial and accounting nature and any irregular activities that may occur within the Group. The Audit Committee receives a periodic report on the complaints presented through the Complaints Channel, the investigations carried out and, where appropriate, the measures adopted.

In 2020, 108 communications were received regarding alleged breaches of the Gestamp Code of Conduct. 18 complaints have been received through the Delegates, 28 directly through the Compliance Office mailbox and 62 through the SpeakUp Line. None of them are related to the ICFR.

- Reporting channel that makes it possible to report any irregularities of a financial or accounting nature to the audit committee, as well as



any possible breach of the code of conduct and irregular activities at the organisation, specifying, if appropriate, whether it is confidential.

The Group has a channel with certain ways of communication which guarantees confidentiality and the rights of the reporters.

- Human Resources managers. There is a way to report through the Human Resources managers. They in turn report to the Compliance Office.
- Compliance Office Inbox: generic inbox of an email address that the Compliance Office directly receives.
- Speak up line: the complaints channel, which has been available since December 2016, is managed by an external company (SpeakUp Line), thus increasing the whistle-blower's trust and confidence with regard to confidentiality. Such communication may take place via telephone, web form or email. It is available in all languages spoken within the Group. Communications are sent to the Compliance Office.

Both the Compliance Office Inbox and the Speak up line are available on the company's intranet and on the website.

The Ethics Committee Regulations also establish the indemnity of people who report acts in good faith and, in turn, safeguards the honour and presumed innocence of any employee amid malicious or unfounded reports.

The Group's Reporting Channel allows any kind of non-compliance with Code of Conduct, including irregularities of a financial and accounting nature, and any irregular activity that could take place within the Group, to be communicated. The Audit Committee receives a periodic report on the complaints made through the Reporting Channel, the investigations carried out and, where appropriate, the measures adopted.

In 2019, 116 reports were received, 115 of which were complaints regarding potential breaches and 1 doubt already resolved. 18 complaints were received through representatives, 45 directly through the Compliance Office Inbox and 53 through the SpeakUp Line. None of these were related to the ICFRS.

- Regular training and update programmes for personnel involved in the preparation and review of financial information, as well as in the evaluation of the ICFRS, covering at least accounting standards, auditing, internal control, and risk management.

At the beginning of each financial year, the Group's Training and Development Department draws up a training plan with all areas, including those that are part of the Finance Department. This plan includes the different external and internal training activities geared towards members of the areas under the Group's Finance Department and managers of the in each of the Group's countries and organisational units.

This plan includes both business context training actions and specific programs.

- Business context formation

Aimed at deepening the internal knowledge of each of the business processes and activities.

- Specific programs

Gestamp personnel involved in the processes related to the preparation of financial information participate in training and updating programs on regulatory

developments regarding the preparation and supervision of financial information, as well as on SCIIF.

As part of these programs, Gestamp has a Virtual Campus of the Corporate University where employees can access training on the valuation of investment projects, management and financial accounting, analysis of financial statements and ICFR. Thus, in 2020, 54 employees were trained both in SCIIF and in the management of the SCIIF management tool developed in-house.

Likewise, the Finance Department carries out specific training actions aimed at personnel in the financial areas on the management and operation of the processes and computer applications used in the preparation of financial information.

In addition, in 2020 different training actions have been carried out with a total of 100 hours of training, for the personnel involved in the evaluation of the SCIIF that has covered, among other areas of knowledge, accounting standards, auditing, internal control and management of risks.

## **F.2 Risk assessment of financial information**

Indicate at least the following:

F.2.1. What are the main features of the risk identification process, including the process of identifying the risks of error or fraud, with regards to:

- Whether the process exists and is documented.

The Group bases its process to identify error or fraud risks in financial information on the COSO framework (Committee of Sponsoring Organizations for the Commission of the Treadway Commission), implementing practices aimed at designing and maintaining an internal control system that provides reasonable assurance with regard to the reliability of the regulated financial information.

As referred to in section F.1.1., the Group has an ICFRS Policy that includes, among other aspects, the general description of the ICFRS and its objectives, roles and responsibilities, the method for implementing the system for internal control over financial reporting and also the process to identify error or fraud risks in financial reporting. Based on this methodology, the scope matrix of the ICFRS was defined.

The scope matrix for the ICFRS, which is updated on an annual basis, after the consolidated financial statements have been prepared, aims to identify the accounts and disclosures that have significant associated risks and which could have a potential material impact on financial reporting. It also establishes the processes to review regarding its design and effectiveness in each country where the Group operates.

During financial year 2020, the Group identified the financial reporting risks by analysing the information contained in the audited consolidated financial statements at 31 December 2019, selecting the most relevant accounts and significant disclosures according to quantitative criteria and risks. The 2019 ICFRS scope matrix was approved by the Audit Committee on 17 December 2020.

- Whether the process covers all the objectives of financial reporting (existence and occurrence; integrity; assessment; presentation, breakdown and comparability, and rights and obligations), whether it is updated, and how often.

For each of these accounts and significant disclosures, their associated critical processes and subprocesses are established and the risks that could lead to errors

and/or fraud in financial reporting are identified, covering all of the financial reporting objectives (existence and occurrence; integrity; assessment; presentation and breakdown; and rights and obligations).

- The existence of a process for the identification of the scope of consolidation, taking into account, among other matters, the possible existence of complex corporate structures, holding entities, or special purpose entities.

With regard to the scope of consolidation, the Chairman, the CEO, the Group's Legal Manager, the Tax Consultancy Manager and the Finance Manager hold meetings as the Finance and Tax Committee, where they address issues relating to, among others, the purchase or withdrawal of companies in which the company has direct or indirect interests, as well as possible changes to be made regarding said interest. Similarly, the Committee identifies the need to undertake specific corporate operations, such as incorporations, mergers, divisions or the winding-up of companies that form part of the Group.

The conclusions approved by the Finance and Tax Committee in the area of company acquisitions and dispositions, and adoption of company operations, are initially compiled by the Group's Legal Department, which is in charge of drawing up the legal documentation required. Furthermore, the Legal Department informs the Consolidation team of any company acquisition or disposition, as well as any interest in them, and any corporate operation that may affect the scope of consolidation. This is done at least on the date on which such operation becomes effective. -

Based on the information received by the Finance and Tax Committee and by the Legal Department, the Department Responsible for Consolidation in the Group's Economic-Finance Department updates the scope of consolidation on the consolidation application used by the company. Furthermore, on a quarterly basis, this information is compared with that contained in the consolidation reporting package that each Group company sends to carry out the quarterly consolidation.

- The process takes into account the effects of other types of risks (operational, technological, financial, legal, tax, reputational, environmental, etc.) to the extent that they affect the financial statements.

As referred to in section E.1., the Group has SIGR Policy, which was approved by the Board of Directors in 2017. The purpose of the SIGR is to establish the basic principles, guidelines and the general framework for action to ensure that risks that may affect the implementation of the Group's strategies and achievement of objectives are identified, analysed, assessed, managed and controlled systematically, with homogeneous criteria and within the risk levels accepted by the Group.

The SIGR Policy is inspired by the following reference frameworks:

- The COSO ERM model, risk management reference framework generally accepted in the market.
- The good practices mentioned in the Good Governance Code of listed companies and the CNMV Technical Guide 3/2017 on Audit Committees of Public Interest Entities.

This Policy, containing five risk categories (strategic, operational, reporting, compliance and financial) is applicable to all Group companies. Reporting risks include those related to the reliability in the preparation, collection and presentation of financial and non-financial information, both internal as well as external, relevant to the Group.

These risks generally cover all of those associated with the Group's activities, processes, projects and lines of business in all geographical areas where it conducts business. Consideration is given, among others, to the types of operational, technological, financial, legal, environmental, social and tax- and social, political and reputational, including those related to corruption, those relating to contingent liabilities and other off balance-sheet risks.

Following the update of the Risk Map, which is analysed every year, it is verified that the risks that could have an impact on the financial information drafting processes or on the reliability of it are provided for in the ICFRS model. This is done to analyse the need to include additional processes or controls in said model and/or in the matrix scope for the following financial year.

- What governance body of the entity supervises the process?

Responsibility for the oversight of the effectiveness of the ICFRS and the Integrated Risk Management System lie with the Audit Committee through the Internal Audit Management, according to that set out in Article 40 of the Regulations governing Gestamp's Board of Directors.

As stated in the previous sections, the Audit Committee approved the ICFRS scope matrix on 6 May 2019 as a way of supervising the risk evaluation process.

### **F.3 Control activities**

Indicate whether at least the following are in place and describe their main features:

F.3.1. Procedures for review and authorisation of financial information, and description of the ICFRS to be published in the securities market, indicating the persons or divisions responsible therefor, as well as documentation describing the flows of activities and controls (including those relating to risk of fraud) of the various types of transactions that could materially affect the financial statements, including the closing process and the specific review of significant judgements, estimates, assessments, and projections.

The Group performs regular reviews of the financial reports drawn up and also of the description of the ICFRS in accordance with different levels of responsibility that aim to ensure the quality of the information.

The Group's Economic-Finance Department draws up consolidated financial statements on a quarterly basis (consolidated accounts and interim financial statements) and submits them for review by the Executive Chairman and the Managing Director, who then proceed to approve them. The quarterly and annual review and authorisation procedure concludes with them being submitted to the Audit Committee by the Managing Director and the Finance Department, and its preparation by the Board of Directors.

In financial year 2020 and, in accordance with the scope matrix of the ICFRS, the Internal Control Department continued to define the risk and control matrix, and the process documentation identified as key and material in all countries where the Group operates. The controls that mitigate the error or fraud risks regarding financial reporting and which affect these processes are identified in said matrix.

These processes/subprocesses cover the different types of transactions which may materially affect the financial statements (purchases, sales, staff costs, stock, fixed

assets, collection and payment management, etc.), specifically including the closing, reporting and consolidation process, as well as all of those that are affected by significant judgments, estimates, assessments, and projections.

The documentation in each of the processes comprises:

- Breakdown of the information systems that impact the subprocesses.
- Breakdown of the organisational structures.
- Descriptions of each subprocess associated with each process.
- Description of the significant risks involved in financial reporting (including those relating to the risk of fraud) and also others (operational and/or regarding compliance) associated with the different subprocesses and control objectives.
- Detailed description of the key and non-key controls that mitigate each of the risks identified.
- Results of the internal control design evaluation conducted by the Internal Control Department, identifying the best opportunities and establishing the action plans, persons responsible and the corresponding implementation deadline.

For each control, the following have been identified:

- Supporting evidence regarding the controls.
- Organisational structures and/or functions of positions in charge of each key and non-key controls identified, as well as identifying other departments affected, where appropriate.
- Owner in charge of each control.
- Frequency of the controls.
- Level of automation of the controls.
- Type of control: preventive or detective.
- Risks to mitigate.
- Association regarding the objectives of the financial information and the prevention/detection of fraud.
- Information systems involved in the control.

The Group has launched a process for updating the internal control system which guarantees the quality and reliability of financial and non-financial reporting, not merely limiting itself to yearly or half-yearly financial reports.

As such, among other measures, as stated under section F.1.2., in 2019 the Group has launched in all plants and countries in which risk matrix and controls has been determined, an internal development of a specific tool. This tool allows an ongoing updating, self-evaluating and supervising process to take place on the correct functioning of the internal control system of financial information, ensuring its reasonable reliability in a single centralised environment. This tool contributes to strengthening the internal control at all levels of the organisation, facilitating the effectiveness evaluation process and the control designs, as well as monitoring the action plans.

With regard to significant judgments, estimates and projections, it is the Group's Economic-Finance Department or the Division Controlling departments that set the hypotheses and perform the calculations. To do so, they use information, such as the budgets for the coming financial years and the strategic plans, which the different

Group companies report through a shared platform that is managed by the Group's Controlling Department. In certain cases (such as the valuations of fixed assets and actuarial study calculations), the information provided by specialists external to the Group is also used. The most significant judgements, estimates and projections are validated prior to the approval process for the consolidated financial statements.

F.3.2. Policies and procedures of internal control over reporting systems (including, among others, security of access, control of changes, operation thereof, operational continuity, and segregation of duties) that provide support for the significant processes of the entity in connection with the preparation and publication of financial information.

The Group has internal control policies and procedures on the information systems supporting the relevant processes, including the preparation and review process for financial reporting.

In the process to identify technological risks that may affect the confidentiality, integrity and availability of financial information, the Group identifies what systems and applications are relevant in each of the areas or processes considered significant. The systems and applications identified include both those that are directly used to prepare the financial information and those that are relevant for the effectiveness of the controls that mitigate the risk of errors arising therein.

Taking into account this information, the Plan of Business Continuity of Information Systems is reviewed on a yearly basis. This plan establishes action plans for mitigating the risks arising from information system dependency that could affect the achievement of business objectives.

Generally speaking, the following controls exist to provide the Group with reasonable assurance concerning the internal control of reporting systems:

- The Group has a road map of the most relevant applications, including those with the objective of processing financial information.
- Only authorised staff have access to the reporting systems using robust authentication mechanisms. In addition, access to information is limited according to the roles assigned to each user. In relation to this, system accessibility is determined by identity management. A feature is currently being rolled out which, by means of an automatic approval flow, enables managers of each system to receive access requests and, in turn, review and approve them.
- The actions performed by users are registered and monitored by people authorised in accordance with operating procedures.
- Periodic review processes are performed on users with access to data, as well as a review of privileged users.
- There are alternative communication systems that guarantee the continuity of operations.
- Backups of the information are carried out regularly, which are stored in safe locations, and trial restorations thereof are carried out.
- The incident management system is aimed at resolving any type of problem that may arise in the business processes.
- There is a software development methodology and different environments with the aim of ensuring that any changes in the information systems are appropriately authorised and tested.

- Critical business processes have different organisational and technological solutions which ensure the continuity of the information systems. Every year, the financial system recovery plan is tested, identifying the improvement aspects that are included in the plan updates.

The controls on the information technology implemented in the area of financial systems are validated every year in order to ensure their effectiveness. Any incidents identified are evaluated and the appropriate measures adopted to correct them in the time and manner established.

F.3.3. Internal control policies and procedures designed to supervise the management of activities outsourced to third parties, as well as those aspects of assessment, calculation, or valuation entrusted to independent experts, which may materially affect the accounts.

The Group does not usually have activities outsourced to third parties which may materially affect the financial statements. In any case, when the Group outsources certain work to third parties, it ensures the subcontracted company has the technical skills required, independence, competence and solvency.

In financial year 2019, the only significant activity outsourced to third parties with an impact on the financial statements was the use of independent experts for support in the valuation of fixed assets and actuarial study calculations, although they did not have a material effect on the financial information.

This activity was performed by a firm which was validated as having the necessary competences by personnel in the Group and supervised by Management, which verified the key assumptions used by the external parties, along with the reasonability of the conclusions.

#### **F.4 Information and communication**

Indicate whether at least the following are in place and describe their main features:

F.4.1. A specific function charged with defining and updating accounting policies (accounting policy area or department) and with resolving questions or conflicts arising from the interpretation thereof, maintaining fluid communications with those responsible for operations at the organisation, as well as an updated accounting policy manual that has been communicated to the units through which the entity operates.

Within the Group's Economic-Finance Department, there is Department Responsible for Consolidation (hereinafter, "Consolidation Team"). The functions assigned to said team, specifically established in the Group's Criteria and Accounting Policies Manual, include a team update, which must be undertaken at least once per year.

This Manual includes the main policies applicable to the Group's operations, as well as the criteria that are to be followed by those in charge of recording the financial information, examples of its application and the chart of accounts for consolidation. The last update was in November 2020.

In addition, there is another department in the Economic-Finance Department that is responsible for the design and definition of the financial processes to be applied in companies using the Corporate SAP system. This Function is in charge of reflecting the accounting policies established in the Group's Criteria and Accounting Policies



Manual in this system.

If those in charge of recording the Group's financial information have any queries about how to proceed with regard to daily transaction accounting, the responsibility for resolving queries in relation to these processes lies with the Department Responsible for the design and Definition of Financial Processes, whereas any queries regarding accounting policies are resolved by the Consolidation Team, as stated in the Manual. This centralisation of query resolution allows for increased standardisation of criteria.

The information required to update the Criteria and Accounting Policies Manual is received by the Consolidation Team through the different channels: by communications from the ICAC (the Spanish Accounting and Auditing Institute) (for modifications to the Spanish National Chart of Accounts, the IFRS or the IAS), by reviewing information alerts sent by the external auditor through the tax updates it receives from the tax advisor or through participation in training sessions given by prestigious companies.

In order to keep all persons in charge of recording financial information throughout the whole Group informed of any possible modifications that arise in the Criteria and Accounting Policies Manual, the Consolidation Team sends them said document on a quarterly basis, along with the consolidation reporting package.

F.4.2. Mechanisms to capture and prepare financial information with standardised formats, to be applied and used by all units of the entity or the group, supporting the principal accounts and the notes thereto, as well as the information provided on the internal control over financial reporting system.

All Group companies report the financial information in a consolidation reporting package in a standardised manner as established by the Consolidation Team. This package includes the information structure required to then proceed to add it.

The Consolidation Team has a master in which each account in the local consolidation chart of accounts is associated with the corporate SAP accounts. This association is customised in the Group's consolidation application by the Function charged with the Design and Definition of Financial Processes within the Group's Economic-Finance Department.

Once the Consolidation Team has received the information from the different companies, it verifies that it coincides with the chart of accounts established for the Group and with the Group's Criteria and Accounting Policies Manual and proceeds to upload this information onto the Group's consolidation application.

Regarding the information in the disclosures in the report, in order to draw up the consolidated Financial Statements, the Consolidation Team uses the information reported by the different companies in the reporting packages as a source. Based on this data and the information from the whole Group, it consolidates and draws up the consolidated interim and annual accounts (financial statements and notes) and creates the notes to the financial statements. The Consolidation Team ensures that the information in the consolidation application matches the detailed information extracted to draw up the disclosures, and also that the information in the detail of the notes matches the detailed information extracted to draw up the notes.

Finally, the capture and preparation of the information provided regarding the ICFRS is centralised in the Internal Control Function in coordination with the Departments involved. This description is formally validated by these



Departments. This process concludes with the approval of the Annual Corporate Governance Report as a whole by the Board of Governors,

## **F.5 Supervision of the operation of the system**

Indicate and describe the main features of at least the following:

- F.5.1. The activities of overseeing the internal control over financial reporting system (ICFRS) performed by the audit committee, and also whether or not the entity has an internal audit function whose duties include providing support to the committee in its task of overseeing the internal control system, including the ICFRS. Information is also to be provided concerning the scope of the assessment of the ICFRS performed during the financial year and on the procedure whereby the person or division charged with performing the assessment reports the results thereof, whether the entity has an action plan in place describing possible corrective measures, and whether the impact thereof on financial information has been considered.

As indicated in section F.1.1, the Audit Committee is responsible for periodically supervising and reviewing the effectiveness of internal control and supervising and evaluating the process of preparing financial information, relying on the Internal Audit Department for this, reporting hierarchically to the CEO and functionally to the Audit Committee.

The Internal Audit Directorate has among its functions the support of the Audit Committee in supervising the correct functioning of the ICFR, reporting the conclusions obtained from its audits in the periodic appearances of the Internal Audit Director in the Audit Committee meetings, held during the financial year. Said conclusions include the weaknesses detected and the action plans defined and agreed with the different areas to solve them, as well as the monitoring of their implementation in order to ensure that the weaknesses have been resolved.

The Internal Audit Directorate is responsible for the execution of the Internal Audit Plan that for the 2020 financial year was approved on December 16, 2019 by the Audit Committee. In order to adapt to the needs arising from COVID-19 This Plan was updated and approved by the Audit Committee on May 18, 2020 and October 28, 2020.

On December 17, 2020, the Audit Committee approved the SCIIF scope matrix defined by the Internal Control Function, as indicated in section F.2.1, and has supervised the degree of progress of the work carried out in relation to the ICFR through periodic reports presented by the Internal Audit Director to the Audit Committee.

During fiscal year 2020, in accordance with the Audit Plan and the SCIIF scope matrix, and taking into account the limitations due to the COVID-19 pandemic situation, global audits have been carried out of the key processes in relation to with the reliability of the financial information that were considered the highest priority. In the audits, action plans have been defined to reinforce the internal control system.

The result of the audits has been periodically reported to the Audit Committee. Consequently, the Audit Committee, in accordance with its functions, includes in its activities report the tasks that it has performed in its role as supervisor of the Internal Control System during 2020. Among other aspects, the report of activities for the year 2020 include:

- the supervision and revision of the preparing and presentation process of the annual individual and consolidated financial information and also the regulated financial information (quarterly and half-yearly) to provide the market,
- the reviewing of developments on IFRS and Spanish General Audit Plan.

- the review and favorable report of the proposal for the application of the result corresponding to the year 2019 initially approved by the Board of Directors, as well as the new proposal for the application of the result, which, in accordance with article 40.6 bis of Royal Decree-Law 8 / 2020, of March 17, of extraordinary urgent measures to face the economic and social impact of COVID-19, replaced the one initially formulated by the Board of Directors
- the monitoring of the internal audit function activities,
- the overseeing of relationships with the external auditor of the company and Group,
- related transactions,
- correct application of the generally accept accounting principles and the safeguarding of the integrity of financial information.
- the approval of the ICFRS scope matrix established for the financial year 2020,
- review of the degree of implementation of the ICFRS,
- monitoring of the ICFRS design evaluation results, as well as monitoring of the improvement plans detected,
- monitoring of the risk management performed within the Group,
- approval of the 2021 Internal Audit Plan, and
- approval of the 2021 resources of the Internal Audit Management.

F.5.2. Indicate whether there is a discussion procedure whereby the auditor (pursuant to TAS), the internal audit function and other experts can report any significant internal control weaknesses encountered during their review of the financial statements or other reviews they have been engaged to perform to the company's senior executives and its Audit Committee or Board of Directors. State also whether the entity has an action plan to correct or mitigate the weaknesses identified.

Article 40 of the Regulations of the Board of Directors govern the power held by the Audit Committee with regard to regularly receiving information on the activities of the Internal Audit Department; verifying whether senior management takes into account the conclusions and recommendations in its reports; and to discuss with the auditor or auditing firms any significant weaknesses in the internal control system detected in the course of the audits, without ever compromising its independence. To this end, and where applicable, recommendations and proposals, together with the relevant follow-up deadlines, may be submitted to the board of directors.

In accordance with the process established for such purpose, any significant internal control weakness that has been detected by the auditor of the financial statements in the course of its work, will be formally reported in writing to the two levels of management: to the Management that will define, in such case, the action plans to be implemented to mitigate the internal control weaknesses detected, which will be subsequently presented to the Audit Committee.

Ten meetings of the Audit Committee were held in 2020.

External auditors attended four Audit Committee meetings to communicate the provisional status of the audit work on the Group's financial statements and the essential facts detected, including the areas for improvement detected in the internal control, which, without being significant weaknesses, have been deemed to be

potentially useful.

The Director of the Internal Audit Committee has periodically participated in Audit Committee meetings, presenting the degree of progress of the work undertaken in relation to the ICFRS, as well as the internal control weaknesses identified in the course of said work and in the rest of audits performed during the year.

#### **F.6 Other relevant information**

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Not applicable.

#### **F.7 External auditor's report**

Indicate:

F.7.1. Whether the ICFRS information reported to the markets has been submitted for review by the external auditor. If so, the related report should be included in the corresponding report as an Appendix. If not, give reasons why.

The Internal Control Function carries out continuous monitoring of the ICFR, validating its design and the effectiveness of its controls.

Likewise, the Internal Audit Department, with the supervision of the Internal Audit Committee, carries out audits of the ICFR, reviewing compliance with its requirements and procedures. These tasks are complemented by contributions from the external auditor regarding the identification, where appropriate, of internal control weaknesses in the course of their external audit work.

These supervision activities are considered adequate and sufficient, therefore it has not been considered necessary in 2020 to submit the information from the ICFR for additional external review.

## **G DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS**

State the company's degree of compliance with the recommendations of the Good Governance Code for Listed Companies.

If the company does not comply with any recommendation or follows it partially, there must be a detailed explanation of the reasons providing shareholders, investors, and the market in general with sufficient information to assess the company's course of action. Generalised explanations will not be acceptable.

1. **The bylaws of listed companies should not place an upper limit on the votes that can be cast by a single shareholder, or impose other obstacles to the takeover of the company by means of share purchases on the market.**

Complies  Explain

2. **That, when the listed company is controlled, within the meaning of article 42 of the Commercial Code, by another entity, listed or not, and has, directly or through its subsidiaries, business relationships with said entity or one of its subsidiaries (other than those of the listed company) or develop activities related to those of any of them publicly report with precision about:**

a) **The respective areas of activity and eventual business relationships between, on the one hand, the listed company or its subsidiaries and, on the other, the parent company or its subsidiaries.**

b) **The mechanisms provided to resolve any conflicts of interest that may arise.**

Complies  Partly complies  Explain  Not applicable

3. **During the annual general meeting, the chairman of the board should verbally inform shareholders in sufficient detail of the most relevant aspects of the company's corporate governance, supplementing the written information circulated in the annual corporate governance report. In particular regarding:**

a) **Changes taking place since the previous annual general meeting.**

b) **The specific reasons why the Company does not follow some of the recommendations of the Good Governance Code and, if any, the alternative rules that apply in this area.**

Complies  Partly complies  Explain

4. **That the company define and promote a policy regarding communication and contacts with shareholders and institutional investors within the framework of their involvement in the company, as well as with proxy advisors that is fully compliant with the rules against market abuse and give similar treatment to shareholders who are in the same position. And that the company makes said policy public through its website, including information regarding the way in which it has been put into practice and identifying the interlocutors or persons responsible for carrying it out.**

**And that, without prejudice to the legal obligations to disseminate privileged information and other types of regulated information, the company also has a general policy regarding the communication of economic-financial, non-financial and corporate information through the channels it considers appropriate (communication media, social networks or other channels) that helps to maximize the dissemination and quality of information available to the market, investors and other interest groups.**

Complies  Partly complies  Explain

5. The board of directors should not make a proposal to the general meeting for the delegation of powers to issue shares or convertible securities without pre-emptive subscription rights for an amount exceeding 20% of capital at the time of such delegation.

When the board approves the issuance of shares or convertible securities without pre-emptive subscription rights, the company should immediately post a report on its website explaining the exclusion as envisaged in company legislation.

Complies  Partly complies  Explain

6. That the listed companies that prepare the reports mentioned below, either on a mandatory or voluntary basis, publish them on their website sufficiently in advance of the holding of the ordinary general meeting, although their dissemination is not mandatory:

a) Report on the independence of the auditor.

b) Reports on the operation of the audit and appointments and remuneration committees.

c) Report of the audit committee on related-party transactions.

Complies  Partly complies  Explain

7. That the company transmit live, through its website, the holding of general shareholders' meetings. And that the company has mechanisms that allow the delegation and the exercise of the vote by electronic means and even, in the case of companies with high capitalization and to the extent that it is proportionate, the attendance and active participation in the General Meeting.

Complies  Explain

8. That the audit committee ensure that the annual accounts that the board of directors present to the general meeting of shareholders are prepared in accordance with accounting regulations. And that in those cases in which the account auditor has included any qualification in his audit report, the chairman of the audit committee clearly explains at the general meeting the opinion of the audit committee on its content and scope, making the disposition of the shareholders at the time of publication of the call for the meeting, together with the rest of the proposals and reports of the board, a summary of said opinion.

Complies  Partly complies  Explain

9. The company should disclose on its website, on an ongoing basis, its conditions and procedures for admitting share ownership, the right to attend general meetings and the exercise or delegation of voting rights.

Such conditions and procedures should encourage shareholders to attend and exercise their rights and be applied in a non-discriminatory manner.

Complies  Partly complies  Explain

10. When an accredited shareholder exercises the right to supplement the agenda or submit new proposals prior to the general meeting, the company should:

a) Immediately circulate the supplementary items and new proposals.

b) Disclose the model of attendance card or proxy appointment or remote voting form duly modified so that new agenda items and alternative proposals can be voted on in the same terms as those submitted by the board of directors.

c) Put all these items or alternative proposals to the vote applying the same voting rules as for those submitted by the board of directors, with particular regard to presumptions

or deductions about the direction of votes.

d) After the general meeting, disclose the breakdown of votes on such supplementary items or alternative proposals.

Complies  Partly complies  Explain  Not applicable

11. In the event that a company plans to pay for attendance at the general meeting, it should first establish a general, long-term policy in this respect.

Complies  Partly complies  Explain  Not applicable

12. The board of directors should perform its duties with unity of purpose and independent judgement, according the same treatment to all shareholders in the same position. It should be guided at all times by the company's best interest, understood as the creation of a profitable business that promotes its sustainable success over time, while maximising its economic value.

In pursuing the corporate interest, it should not only abide by laws and regulations and conduct itself according to principles of good faith, ethics and respect for commonly accepted customs and good practices, but also strive to reconcile its own interests with the legitimate interests of its employees, suppliers, clients and other stakeholders, as well as with the impact of its activities on the broader community and the natural environment.

Complies  Partly complies  Explain

13. The board of directors should have an optimal size to promote its efficient functioning and maximise participation. The recommended range is accordingly between five and fifteen members.

Complies  Explain

14. That the board of directors approves a policy aimed at favoring an appropriate composition of the board of directors and that:

a) is concrete and verifiable;

b) ensure that the nomination or re-election proposals are based on a prior analysis of the competencies required by the board of directors;

c) favors the diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a significant number of senior managers favor gender diversity.

That the result of the preliminary analysis of the powers required by the board of directors is included in the justifying report of the appointments committee that is published when the general meeting of shareholders is called to which the ratification, appointment or re-election of each advisor.

The appointments committee will annually verify compliance with this policy and will report on it in the annual corporate governance report.

Complies  Partly complies  Explain

The Selection Policy approved by the Board of Directors on December 17, 2020 establishes a general principle of diversity in which the one relating to gender diversity is not specifically specified.

However, the Appointments and Remuneration Committee, at its meeting on July 25, 2019, adopted the measure that, given the equality of knowledge and experience of the candidates who have to fill a vacancy, the hiring of women would be favored.

Similarly, in the context of the evaluation of the Board of Directors referred to in

sections C.1.17 and C.1.18, the action plan prepared by the Appointments and Remuneration Committee and submitted for approval by the Board of Directors, includes some recommendations to be carried out during the 2021 financial year, among which the one relating to the equality of knowledge and experience of the candidates who have to fill a vacancy, the hiring of women would be favored.

- 15. That the proprietary and independent directors constitute a large majority of the board of directors and that the number of executive directors is the minimum necessary, taking into account the complexity of the corporate group and the percentage of participation of the executive directors in the capital of the company. And that the number of female directors represents, at least, 40% of the members of the board of directors before the end of 2022 and onwards, not previously being less than 30%.**

Complies  Partly complies  Explain

It is the intention of the Board of Directors to comply with the principle of diversity of gender diversity included in the Selection Policy of the Board of Directors and in the Guidance Guide of Knowledge, Skills, Diversity and Experience of the Board of Directors. However, during the financial year 2020, no vacancies have arisen in the board of directors except for those produced by Mr. Shinichi Horii and Mr. Katsutoshi Yokoi, both proprietary directors, so the Company has not had the opportunity to apply this principle during the process of selecting a candidate.

- 16. The percentage of proprietary directors out of all non-executive directors should be no greater than the proportion between the ownership stake of the shareholders they represent and the remainder of the company's capital.**

**This criterion can be relaxed:**

- a) **In large cap companies where few or no equity stakes attain the legal threshold for significant shareholdings.**
- b) **In companies with a plurality of shareholders represented on the board but not otherwise related.**

Complies  Explain

- 17. Independent directors should represent at least half of all board members.**

**However, when the company does not have a large market capitalisation, or when a large cap company has shareholders individually or concertedly controlling over 30 % of capital, independent directors should occupy, at least, a third of board places.**

Complies  Explain

- 18. Companies should disclose the following director particulars on their websites and keep them regularly updated:**

- a) **Professional profile and biographical data.**
- b) **Directorships held in other companies, listed or otherwise, and other paid activities they engage in, of whatever nature.**
- c) **Statement of the director class to which they belong, in the case of proprietary directors indicating the shareholder they represent or have links with.**
- d) **Dates of their first appointment as a board director and subsequent re-elections.**
- e) **Shares held in the company and any options thereon.**

Complies  Partly complies  Explain

19. Following verification by the appointments committee, the annual corporate governance report should disclose the reasons for the appointment of proprietary directors at the urging of shareholders controlling less than 3% of capital; and explain any rejection of a formal request for a board place from shareholders whose equity stake is equal to or greater than that of others applying successfully for a proprietary directorship.

Complies  Partly complies  Explain  Not applicable

20. Proprietary directors should resign when the shareholders they represent dispose of their ownership interest in its entirety. If such shareholders reduce their stakes, thereby losing some of their entitlement to proprietary directors, the number of the latter should be reduced accordingly.

Complies  Partly complies  Explain  Not applicable

21. The board of directors should not propose the removal of independent directors before the expiry of their tenure as mandated by the bylaws, except where they find just cause, following a report by the appointments committee. In particular, just cause will be presumed when directors take up new posts or responsibilities that prevent them allocating sufficient time to the position of board member, or are in breach of their fiduciary duties or come under one of the disqualifying grounds for classification as independent enumerated in the applicable legislation.

The removal of independent directors may also be proposed when a takeover bid, merger or similar corporate transaction alters the company's capital structure, provided the changes in board membership ensue from the proportionality criterion set out in recommendation 16.

Complies  Explain

22. That companies establish rules that oblige directors to inform and, where appropriate, to resign when situations that affect them arise, related or not to their performance in the company itself, that may harm its credit and reputation, and, in particular, that they oblige them to inform the board of directors of any criminal case in which they appear as investigated, as well as their procedural vicissitudes. And that, having been informed or the board having otherwise known any of the situations mentioned in the previous paragraph, examine the case as soon as possible and, taking into account the specific circumstances, decide, following a report from the appointments and remuneration, whether or not to adopt any measure, such as opening an internal investigation, requesting the resignation of the director or proposing their removal. And that it be reported in this regard in the annual corporate governance report, unless there are special circumstances that justify it, which must be recorded in the minutes. This without prejudice to the information that the company must disseminate, if appropriate, at the time of the adoption of the corresponding measures.

Complies  Partly complies  Explain

23. All directors should express their clear opposition when they feel a proposal submitted for the Board's approval might damage the corporate interest. In particular, independents and other directors not subject to potential conflicts of interest should strenuously challenge any decision that could harm the interests of shareholders lacking board representation.

When the Board makes material or reiterated decisions about which a director has expressed serious reservations, then he/she must draw the pertinent conclusions. Directors resigning for such causes should set out their reasons in the letter referred to in the next recommendation.



The terms of this recommendation also apply to the Secretary of the Board, director or otherwise.

Complies  Partly complies  Explain  Not applicable

24. That companies establish rules that oblige directors to inform and, where appropriate, to resign when situations that affect them arise, related or not to their performance in the company itself, that may harm its credit and reputation, and, in particular, that they oblige them to inform the board of directors of any criminal case in which they appear as investigated, as well as their vicissitudes That when, either by resignation or by resolution of the general meeting, a director leaves his position before the term of their mandate, sufficiently explain the reasons for their resignation or, in the case of non-executive directors, their opinion on the reasons for the removal by the meeting, in a letter that they will send to all members of the board of directors.

And that, without prejudice to the fact that all this is reported in the annual corporate governance report, insofar as it is relevant for investors, the company publishes the termination as soon as possible including sufficient reference to the reasons or circumstances provided by the counselor.

And that, having been informed or the board having otherwise known any of the situations mentioned in the previous paragraph, examine the case as soon as possible and, taking into account the specific circumstances, decide, following a report from the appointments and remuneration, whether or not to adopt any measure, such as opening an internal investigation, requesting the resignation of the director or proposing their removal. And that it be reported in this regard in the annual corporate governance report, unless there are special circumstances that justify it, which must be recorded in the minutes. This without prejudice to the information that the company must disseminate, if appropriate, at the time of the adoption of the corresponding measures.

Complies  Partly complies  Explain  Not applicable

25. The appointments committee should ensure that non-executive directors have sufficient time available to discharge their responsibilities effectively.

The board of directors' regulations should lay down the maximum number of company boards on which directors can serve.

Complies  Partly complies  Explain

26. The board should meet with the necessary frequency to properly perform its functions, eight times a year at least, in accordance with a calendar and agendas set at the start of the year, to which each director may propose the addition of initially unscheduled items.

Complies  Partly complies  Explain

27. Director absences should be kept to a strict minimum and quantified in the annual corporate governance report. In the event of absence, directors should delegate their powers of representation with the appropriate instructions.

Complies  Partly complies  Explain

28. When directors or the secretary express concerns about some proposal or, in the case of directors, about the company's performance, and such concerns are not resolved at the meeting, they should be recorded in the minute book if the person expressing them so requests.

Complies  Partly complies  Explain  Not applicable

**29. The company should provide suitable channels for directors to obtain the advice they need to carry out their duties, extending, if necessary, to external assistance at the company's expense.**

Complies       Partly complies       Explain

**30. Regardless of the knowledge directors must possess to carry out their duties, they should also be offered refresher programmes when circumstances so advise.**

Complies       Explain       Not applicable

**31. The agendas of board meetings should clearly indicate on which points directors must arrive at a decision in order for them to study the matter beforehand or gather together the material they need.**

**For reasons of urgency, the chairperson may wish to present decisions or resolutions for board approval that were not on the meeting agenda. In such exceptional circumstances, their inclusion will require the express prior consent, duly recorded in the minutes, of the majority of directors present.**

Complies       Partly complies       Explain

**32. Directors should be regularly informed of movements in share ownership and of the views of major shareholders, investors and rating agencies on the company and its group.**

Complies       Partly complies       Explain

**33. The chairperson, as the person charged with the efficient functioning of the board of directors, in addition to the functions assigned by law and the company's bylaws, should prepare and submit to the board a schedule of meeting dates and agendas; organise and coordinate regular evaluations of the board and, where appropriate, the company's chief executive officer; exercise leadership of the board and be accountable for its proper functioning; ensure that sufficient time is given to the discussion of strategic issues, and approve and review knowledge refresher courses for each director, when circumstances so advise.**

Complies       Partly complies       Explain

**34. When a coordinating independent director has been appointed, the bylaws or board of directors regulations should grant him or her the following powers over and above those conferred by law: chair the board of directors in the absence of the chairperson or vice-chairpersons, if they exist; give voice to the concerns of non-executive directors; maintain contacts with investors and shareholders to hear their views and develop a balanced understanding of their concerns, especially those to do with the company's corporate governance; and coordinate the chairperson's succession plan.**

Complies       Partly complies       Explain       Not applicable

**35. The board secretary should strive to ensure that the board's actions and decisions are informed by the good governance recommendations contained in this Good Governance Code that are of relevance to the company.**

Complies       Explain

**36. The board in full should conduct an annual evaluation, adopting, where necessary, an action plan to correct deficiencies detected in:**

- a) **The quality and efficiency of the board's operation.**
- b) **The performance and membership of its committees.**
- c) **The diversity of board membership and competences.**
- d) **The performance of the chairman of the board of directors and the company's chief executive.**
- e) **The performance and contribution of individual directors, with particular attention to the chairpersons of board committees.**

**The evaluation of board committees should start from the reports they send the board of directors, while that of the board itself should start from the report by the appointments committee.**

**Every three years, the board of directors should engage an external facilitator to aid in the evaluation process. This facilitator's independence should be verified by the appointments committee.**

**Any business dealings that the facilitator or members of its corporate group maintain with the company or members of its corporate group should be detailed in the annual corporate governance report.**

**The process followed and areas evaluated should be detailed in the annual corporate governance report.**

Complies       Partly complies       Explain

- 37. When an executive committee exists, its membership mix by director class should resemble that of the board. The secretary of the board should also act as secretary to the executive committee. When there is an executive committee on it, there is the presence of at least two non-executive directors, at least one of them being independent; and that its secretary is the secretary of the board of directors.**

Complies       Partly complies       Explain       Not applicable

- 38. The board should be kept fully informed of the business transacted and decisions made by the executive committee. To this end, all board members should receive a copy of the minutes of executive committee meetings.**

Complies       Partly complies       Explain       Not applicable

- 39. That the members of the audit committee as a whole, and especially its chairman, be appointed taking into account their knowledge and experience in accounting, auditing and risk management, both financial and non-financial.**

Complies       Partly complies       Explain

- 40. There should be a unit in charge of the internal audit function, under the supervision of the audit committee, to monitor the effectiveness of reporting and internal control systems. This unit should report functionally to the board's non-executive chairperson or the chairperson of the audit committee.**

Complies       Partly complies       Explain

- 41. That the head of the unit that assumes the internal audit function present to the audit committee, for its approval by the latter or by the board, its annual work plan, report directly on its execution, including possible incidents and limitations to the scope that are presented in its development, the results and the follow-up of its recommendations and submit an activity report at the end of each year.**

Complies  Partly complies  Explain  Not applicable

42. That, in addition to those provided by law, the following functions correspond to the audit committee:

1. In relation to the information and internal control systems:

a) Supervise and evaluate the process of preparation and the integrity of financial and non-financial information, as well as the control and management systems of financial and non-financial risks related to the company and, where appropriate, to the group - including operational ones, technological, legal, social, environmental, political and reputational or related to corruption— reviewing compliance with regulatory requirements, the adequate delimitation of the consolidation perimeter and the correct application of accounting criteria.

b) Ensure the independence of the unit that assumes the internal audit function; propose the selection, appointment and removal of the person in charge of the internal audit service; propose the budget for this service; approve or propose approval to the board of the guidance and annual work plan of internal audit, ensuring that its activity is primarily focused on relevant risks (including reputational risks); receive periodic information about your activities; and verify that senior management takes into account the conclusions and recommendations of its reports.

c) Establish and supervise a mechanism that allows employees and other people related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report irregularities of potential importance, including financial and accounting irregularities, or of any other nature, related to the company that they notice within the company or its group. Said mechanism must guarantee confidentiality and, in any case, foresee cases in which communications can be made anonymously, respecting the rights of the complainant and the accused.

d) Generally ensure that the policies and systems established in matters of internal control are applied effectively in practice.

2. In relation to the external auditor:

2. In relation to the external auditor:

a) In the event of the resignation of the external auditor, examine the circumstances that led to it.

b) Ensure that the remuneration of the external auditor for their work does not compromise their quality or independence.

c) Supervise that the company communicates the change of auditor through the CNMV and accompanies it with a statement on the eventual existence of disagreements with the outgoing auditor and, if there were any, their content.

d) Ensure that the external auditor holds an annual meeting with the full board of directors to inform them about the work carried out and about the evolution of the accounting and risk situation of the company.

e) Ensure that the company and the external auditor respect the current regulations on the provision of services other than auditing, the limits to the concentration of the auditor's business and, in general, the other regulations on the independence of auditors

Complies  Partly complies  Explain

43. The audit committee should be empowered to meet with any company employee or manager, even ordering their appearance without the presence of another senior officer.

Complies  Partly complies  Explain

44. The audit committee should be informed of any fundamental changes or corporate transactions the company is planning, so the committee can analyse the operation and report to the board beforehand on its economic conditions and accounting impact and, when applicable, the exchange ratio proposed.

Complies  Partly complies  Explain  Not applicable

45. That the risk control and management policy identifies or determines at least:

a) The different types of risk, financial and non-financial (among others, operational, technological, legal, social, environmental, political and reputational, including those related to corruption) that society faces, including financial or economic, contingent liabilities and other off-balance sheet risks.

b) A risk control and management model based on different levels, of which a specialized risk committee will form part when the sectoral regulations provide for it or the company deems it appropriate.

c) The level of risk that the company considers acceptable.

d) The measures envisaged to mitigate the impact of the identified risks, should they materialize.

e) The information and internal control systems that will be used to control and manage the aforementioned risks, including contingent liabilities or off-balance sheet risks.

Complies  Partly complies  Explain

46. Companies should establish a risk control and management function in the charge of one of the company's internal departments or units and under the direct supervision of the audit committee or some other dedicated board committee. This function should be expressly charged with the following responsibilities:

a) Ensure that risk control and management systems are functioning correctly and, specifically, that major risks the company is exposed to are correctly identified, managed and quantified.

b) Actively participate in the preparation of the risk strategy and in key decisions regarding their management.

c) Ensure that risk control and management systems are mitigating risks effectively in the frame of the policy drawn up by the board of directors.

Complies  Partly complies  Explain

47. Members of the appointments and remuneration committee—or of the appointments committee and remuneration committee, if separately constituted—should have the right balance of knowledge, skills and experience for the functions they are called on to discharge. The majority of their members should be independent directors.

Complies  Partly complies  Explain

48. Large cap companies should operate separately constituted appointments and remuneration committees.

Complies  Explain  Not applicable

49. The appointments committee should consult with the company's chairperson and chief executive, especially on matters relating to executive directors.

When there are vacancies on the board, any director may approach the appointments

committee to propose candidates that it may consider suitable.

Complies  Partly complies  Explain

50. The remuneration committee should operate independently and have the following functions in addition to those assigned by law:

- a) Propose to the board the standard conditions for senior officer contracts.
- b) Monitor compliance with the remuneration policy set by the company.
- c) Periodically review the remuneration policy for directors and senior officers, including share-based remuneration systems and their application, and ensure that their individual compensation is proportionate to the amounts paid to other directors and senior officers in the company.
- d) Ensure that conflicts of interest do not undermine the independence of any external advice the committee engages.
- e) Verify the information on director and senior officers' pay contained in different corporate documents, including the annual directors' remuneration statement.

Complies  Partly complies  Explain

51. The remuneration committee should consult with the company's chairperson and chief executive, especially on matters relating to executive directors and senior officers.

Complies  Partly complies  Explain

52. The terms of reference of supervision and control committees should be set out in the regulations of the board of directors and aligned with those governing legally mandatory board committees as specified in the preceding sets of recommendations. They should include at least the following terms:

- a) Committees should be formed exclusively by non-executive directors, with a majority of independents.
- b) They should be chaired by independent directors.
- c) The board should appoint the members of such committees in relation to the knowledge, skills and experience of its directors and each committee's tasks; discuss their proposals and reports; and provide report-backs on their activities and work at the first board plenary following each committee meeting.
- d) They may engage external advice, when they deem it necessary for the discharge of their functions.
- e) Meeting proceedings should be minuted and a copy made available to all board members.

Complies  Partly complies  Explain  Not applicable

53. That the supervision of compliance with the policies and rules of the company in environmental, social and corporate governance matters, as well as the internal codes of conduct, be attributed to one or is distributed among several committees of the board of directors that may be the Audit committee, appointments committee, a committee specialized in sustainability or corporate social responsibility or another specialized committee that the board of directors, in exercise of its self-organization powers, has decided to create. And that such committee is made up solely of non-executive directors, the majority being independent and specifically assigned the minimum functions indicated in the following recommendation.

Complies  Partly complies  Explain

54. The minimum functions to which the previous recommendation refers are the following:
- a) Supervising compliance with the rules of corporate governance and the internal codes of conduct of the company, also ensuring that the corporate culture is aligned with its purpose and values.
  - b) Supervising the application of the general policy regarding the communication of economic-financial, non-financial and corporate information as well as communication with shareholders and investors, proxy advisors and other stakeholders. Likewise, the way in which the entity communicates and relates to small and medium shareholders will be monitored.
  - c) The evaluation and periodic review of the corporate governance system and of the company's environmental and social policy, in order that they fulfill their mission of promoting the social interest and take into account, as appropriate, the legitimate interests of the remaining interest groups.
  - d) Supervising that society's practices in environmental and social matters conform to the established strategy and policy.
  - e) The supervision and evaluation of the relationship processes with the different stakeholders.

Complies  Partly complies  Explain

55. That sustainability policies in environmental and social matters identify and include at least:
- a) The principles, commitments, objectives and strategy regarding shareholders, employees, clients, suppliers, social issues, the environment, diversity, fiscal responsibility, respect for human rights and prevention of corruption and other illegal conduct
  - b) The methods or systems for monitoring compliance with policies, associated risks and their management.
  - c) The mechanisms for supervising non-financial risk, including that related to ethical aspects and business conduct.
  - d) The channels of communication, participation and dialogue with stakeholders.
  - e) Responsible communication practices that avoid information manipulation and protect integrity and honor.

Complies  Partly complies  Explain

56. Director remuneration should be sufficient to attract individuals with the desired profile and compensate the commitment, abilities and responsibility that the post demands, but not so high as to compromise the independent judgement of non-executive directors.

Complies  Explain

57. Variable remuneration linked to the company and the director's performance, the award of shares, options or any other right to acquire shares or to be remunerated on the basis of share price movements, and membership of long-term savings schemes such as pension plans, retirement schemes or other welfare schemes, should be confined to executive directors.

The company may consider the share-based remuneration of non-executive directors provided they retain such shares until the end of their mandate. This condition, however, will not apply to shares that the director must dispose of to defray costs related to their acquisition.

Complies  Partly complies  Explain

58. In the case of variable awards, remuneration policies should include limits and technical safeguards to ensure they reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the company's sector, or circumstances of that kind.

In particular, variable remuneration items should meet the following conditions:

- a) Be subject to predetermined and measurable performance criteria that factor the risk assumed to obtain a given outcome.
- b) Promote the long-term sustainability of the company and include non-financial criteria that are relevant for the company's long-term value, such as compliance with its internal rules and procedures and its risk control and management policies.
- c) Be focused on achieving a balance between the delivery of short, medium and long-term objectives, such that performance-related pay rewards ongoing achievement, maintained over sufficient time to appreciate its contribution to long-term value creation. This will ensure that performance measurement is not based solely on one-off, occasional or extraordinary events.

Complies  Partly complies  Explain  Not applicable

The Company's variable remuneration system is based on strictly objective, measurable and quantifiable criteria, of an economic-financial nature, linked 100% to the value of the Group:

- The annual variable remuneration pursues the achievement of three economic-financial objectives with different weighting levels linked to the Group's value in the short term: 65% linked to consolidated EBITDA, 25% linked to Working Capital and the remaining 10% linked to Capital Investments (CAPEX) defined in the annual Budget.
- The multi-year variable remuneration seeks to create long-term value, promote the retention and motivation of Executive personnel, as well as align their interests with the interests of the Company, as defined in the Group's Strategic Plan at all times, and that indirectly they are also aligned with the interests of the shareholders in that it contributes to the creation of value of the Group. The Group value is understood as a multiple of the consolidated Ebitda minus the Net Debt.

In this sense, the Company understands that these criteria consider the risk assumed to obtain the result, insofar as they not only consider the obtaining of results, measured in terms of Ebitda, but also the levels of indebtedness of the Company for the achieving them.

The variable remuneration system applied to the Company's Executive Directors is also applicable to all employees with variable remuneration, that is, the same objectives and measurement criteria are applied to more than 1,200 employees, including directors, executives, managers and employees. The variable remuneration system does not incorporate non-financial criteria regarding the degree of compliance with the rules and internal procedures of the Company and its policies for the control and management of risks, since the Company applies the principle of zero tolerance for any non-compliance



Partial or total of the Company's internal procedures and its risk control and management policies through the commitment and acceptance, by any employee, manager or director of the Company, of the Company's Code of Conduct and its regulations internal development.

Additionally, the alignment of the Directors, among them that of the Executive Director, Mr. Francisco López Peña, with the long-term strategy of the Company and with the evolution of the markets and the price of the share on the stock market, is carried out through the Plan launched in 2016 by which key executives were offered the possibility of buy shares of the Company at market price with financing from the Company itself

- 59. That the payment of the variable components of remuneration is subject to sufficient verification that the performance or other conditions previously established have been effectively met. The entities will include in the annual directors' remuneration report the criteria regarding the time required and methods for such verification based on the nature and characteristics of each variable component. That, additionally, the entities value the establishment of a reduction clause ('malus') based on the deferral for a sufficient period of the payment of a part of the variable components that implies their total or partial loss in the event that previously at the time of payment, an event occurs that makes it advisable.**

Complies       Partly complies       Explain       Not applicable

- 60. Remuneration linked to company earnings should bear in mind any qualifications stated in the external auditor's report that reduce their amount.**

Complies       Partly complies       Explain       Not applicable

- 61. A major part of executive directors' variable remuneration should be linked to the award of shares or financial instruments whose value is linked to the share price.**

Complies       Partly complies       Explain       Not applicable

The variable remuneration system for Executive Directors is based on a monetary and objective system associated with economic-financial metrics that are directly aligned with value creation for the shareholder.

The company does not directly contemplate a variable remuneration system for Executive Directors that includes the giving of shares or financial instruments whose value is linked to the share price. However, in 2016 the company offered certain key directors of the Group, including Francisco López Peña, the CEO of the Group, the possibility of buying company shares at the market price with the financed by the Company, a measure with which the interests of executive directors and senior management are aligned with the long-term objectives of the company. As a result, the inclusion of the provision of shares as variable remuneration has been deemed unnecessary.

- 62. That once the shares, options or financial instruments corresponding to the remuneration systems have been attributed, the executive directors cannot transfer their ownership or exercise them until after a period of at least three years.**

The exception is the case in which the director maintains, at the time of the transfer or exercise, a net economic exposure to the variation in the price of the shares for a market value equivalent to an amount of at least twice their annual fixed remuneration through the ownership of shares, options or other financial instruments.

The foregoing shall not apply to the shares that the director needs to dispose of in order to meet the costs related to their acquisition or, after a favorable assessment by the

**appointments and remuneration committee, to deal with extraordinary situations that may require it.**

Complies       Partly complies       Explain       Not applicable

**63. Contractual arrangements should include provisions that permit the company to reclaim variable components of remuneration when payment was out of step with the director's actual performance or based on data subsequently found to be misstated.**

Complies       Partly complies       Explain       Not applicable

**64. That the payments for termination or termination of the contract do not exceed an amount equivalent to two years of total annual remuneration and that they are not paid until the company has been able to verify that the director has met the criteria or conditions established for their perception. For the purposes of this recommendation, among the payments for contractual termination or termination, any payments whose accrual or payment obligation arises as a consequence or on the occasion of the termination of the contractual relationship that bound the director with the company, including amounts not previously long-term savings systems and amounts paid under post-contractual non-competition agreements.**

Complies       Partly complies       Explain       Not applicable



## OTHER INFORMATION OF INTEREST

1. If there are any significant aspects regarding corporate governance at the company or at entities of the group that are not included in the other sections of this report, but should be included in order to provide more complete and well-reasoned information regarding the corporate governance structure and practices at the entity or its group, briefly describe them.
2. In this section, you may also include any other information, clarification, or comment relating to the prior sections of this report provided that they are relevant and not repetitive.

Specifically, state whether the company is subject to laws other than Spanish laws regarding corporate governance and, where applicable, include any information that the company is required to provide which is different to the information required in this report.

### Section A.7.

Private shareholders' agreement entered into by Acek Desarrollo y Gestión Industrial, S.L., Mitsui & Co., Ltd. and Gestamp 2020, S.L. on 23 December 2016.

The most significant agreements it contains affecting the Company are as follows:

- (i) The Gestamp 2020, S.L. Board of Directors must hold a meeting prior to the Company's Annual General Shareholders' Meeting in order to decide upon how to vote and appoint a representative for Gestamp 2020, S.L. in said Meeting. Mitsui & Co. Ltd. does not hold any voting rights regarding items on the agenda at the Company's Annual General Shareholders' Meeting.
- (ii) The Company's Board of Directors must have a minimum of 9 and a maximum of 15 members. Mitsui & Co., Ltd. shall have the right to propose the appointment of 2 members of the Company's Board of Directors out of the total number of members that Gestamp 2020, S.L. has the right to appoint, provided that it holds a stake, either directly or indirectly, in at least 10% of the Company's share capital. In the event that the stake held drops below 10% but remains above 5%, Mitsui & Co., Ltd. would have the right to propose the appointment of 1 member of the Company's Board of Directors out of the total number of members that Gestamp 2020, S.L. has the right to appoint.
- (iii) In the event that any Gestamp 2020, S.L. shareholders have the intention of transferring their indirectly held stake in the Company, the non-transferring shareholder becomes entitled to purchase the stake of the transferring shareholder in Gestamp 2020, S.L. for a price equivalent to that of the sum of the closing market price of the Company's share divided by the sum of the trading days in the month after the notification regarding the share transfer. If the right of first refusal is not exercised, the transferring shareholder may, at its discretion, request the following within 3 months:
  - (a) That Gestamp 2020, S.L. sells company shares that indirectly belong to the transferring shareholder, using the price obtained from such sale to buy shares of Gestamp 2020, S.L., which directly belong to the transferring Shareholder.

- (b) The shares in Gestamp 2020, S.L. are amortised obtaining in return the distribution of company shares indirectly held.
- (c) Gestamp 2020, S.L. is dissolved, allocating to each partner the company shares that correspond to it in accordance with the stake held in Gestamp 2020, S.L.
- (iv) Except where provided for in the agreement, Gestamp 2020, S.L. cannot sell or use the company shares in its name as security without the consent of both partners.
- (v) Acek Desarrollo y Gestión Industrial, S.L. may transfer at any time all or part of the company shares that it directly holds.
- (vi) Without prejudice to the rights of Mitsui & Co. Ltd. under the agreement, Acek Desarrollo y Gestión Industrial, S.L. may keep control of the company and of Gestamp 2020, S.L. and its business.
- (vii) In the event of a material breach of the private shareholders' agreement by Mitsui & Co. Ltd., Acek Desarrollo y Gestión Industrial, S.L. shall be entitled to exercise a call option on the stake held by Mitsui & Co. Ltd. in Gestamp 2020, S.L. for a price equivalent to 90% of its market value. In the event of a breach by Acek Desarrollo y Gestión Industrial, S.L., Mitsui & Co. Ltd. may exercise a put option on its stake in Gestamp 2020, S.L. for a price equivalent to 110% of its market value.

Private shareholders' agreement entered into by Mr. Francisco José Riberas Mera, Halekulani, S.L., Juan María Riberas Mera, Ion-Ion, S.L. and Acek Desarrollo y Gestión Industrial, S.L. on 21 March 2017.

The most significant agreements it contains are as follows:

- (i) The governing body of Acek Desarrollo y Gestión Industrial, S.L. must hold a meeting prior to the Annual General Shareholders' Meeting of the Company or of Gestamp 2020, S.L. in order to come to an agreement on how Acek Desarrollo y Gestión Industrial, S.L. will vote and to appoint its proxy for said meetings.
- (ii) Right of first refusal and *tag-along* right of the Acek Desarrollo y Gestión Industrial, S.L. shareholders and, in the case of the right of first refusal, on a subsidiary basis to the company itself, in the event that any of the shareholders have the intention of transferring their stake to a third party. The aforementioned rights will not come into play in particular transfers to member of the Riberas family or to companies or foundations controlled by the transferring shareholder or his/her family.
- (iii) Regulation of a conciliation procedure and, on a subsidiary basis, a mediation procedure for deadlock situations involving Acek Desarrollo y Gestión Industrial, S.L., and indirectly involving the Company. In the event that the deadlock is not solved through the conciliation or mediation, each of the Acek Desarrollo y Gestión Industrial, S.L. shareholders may determine the vote that indirectly corresponds to them in Gestamp 2020, S.L. by means of their stake in Acek Desarrollo y Gestión Industrial, S.L.

### **Section C.1.3**

Regarding the appointment of Mr. Tomofumi Osaki and Mr. Norimichi Hatayama, it is established that they were proposed by Mitsui & Co. Ltd. to Acek Desarrollo y Gestión Industrial, S.L., pursuant to the provisions in the shareholders agreement entered into between Acek Desarrollo y Gestión Industrial, S.L., Mitsui & Co., Ltd. and Gestamp 2020, S.L., referred to in section A.7.

### **Section C.1.13**

The amount of remuneration of the Board of Directors accrued in 2020 included in this section differs from the amount included on the Note 32.2. to the annual financial statements of the Group as the accrual criteria applied is different regarding the long term incentive.

### **Section C.1.14**

In accordance with what is established in the instructions for completing this report, it is hereby stated that the Company's Internal Audit and Risk Management Director was not included in the table in section C.1.14 given that she is not considered to be a member of senior management, since, as this term is legally defined, only members of the Company's Management Committee hold this status.

Furthermore, it is hereby stated that the total amount of the remuneration of Senior Management corresponding to financial year 2020 as set out in section C.1.14 of this report include: the salaries paid during the year; the annual variable remuneration accrued in the year, and payment thereof is envisaged once the 2020 Financial Statements have been formally approved by the Annual General Shareholders' Meeting which will be held in 2021; the sum of any benefits granted and compensation paid due to two Senior Managers leaving the Management Committee in the year in question.

Also, the remuneration amount of the Senior Management accrued in 2018 included in this section differs from the amount included on the Note 32.3. to the annual financial statements of the Group as the accrual criteria applied is different regarding the long term incentive.

### **Section C.2.1.**

#### Procedures and rules of organisation and functioning of the Audit Committee and the Nomination and Compensation Committee

Article 39 of the Regulations of the Board of Directors sets forth the following rules applicable to both Committees:

“a) The Board of Directors shall appoint the members of such committees, taking into account the knowledge, skills and experience of the directors and each committee's tasks; it shall discuss their proposals and reports; and provide report-backs on their activities and work carried out.

(b) They shall be exclusively made up of non-executive directors, with a minimum of three and a maximum of five. The above is understood notwithstanding the potential presence of executive directors or Senior Managers in their meetings, for reporting

purposes, when each of the committees agrees to this. However, the presence of the executive Chairman in these meetings shall be exceptional.

(c) Independent directors shall be in the majority at all times, where one is to be appointed Chairperson.

(d) The Secretary shall be the Secretary of the Board of Directors.

(e) They may seek external advice when deemed necessary for the performance of their duties under the same circumstances as those applicable to the Board (*mutatis mutandi*).

(f) Minutes shall be taken of the meetings and a copy thereof shall be sent to all the members of the Board.

(g) The committees shall meet whenever necessary, at the Chairperson's discretion, 33 to exercise their powers, and whenever two of its members so request.

(h) The rules of operation shall be those that govern the functioning of the Board. In this way, they shall be validly constituted whenever the majority of its members are present or represented, and its resolutions shall be adopted by an absolute majority of the directors in attendance. In the event of a tie, the Committee Chairperson shall have the casting vote.

(i) The Chairman of the corresponding committees shall inform the Board of Directors of the issues discussed and the resolutions adopted at the meetings during the first Board of Directors' meeting held after the Committee meeting.

(j) Within three months after the end of each financial year, each committee shall submit a report on its work in the previous year for approval by the Board of Directors, and it shall be made available to the shareholders during their annual general meeting.

#### Duties of the Audit Committee and the Nomination and Compensation Committee

Article 40 of the Regulations of the Board of Directors attributes the following duties to the Audit Committee:

“(a) To inform the General Shareholders' Meeting about issues raised by the shareholders on matters for which it is competent and, in particular, about the findings of audits, explaining how they have contributed to the integrity of the financial reporting and the role that the Committee has played in the process.

(b) As regards information systems and internal control:

(i) To supervise the preparation process, integrity and presentation of regulated financial reporting on the Company, checking that regulatory requirements are met and accounting criteria are correctly applied.

(ii) To periodically review the internal control and risk management systems, including fiscal risks, so that the main risks are adequately identified, managed and reported, and also to discuss with the auditor any significant weaknesses in the internal control system found in the course of the audit, never compromising its independence. To this end, and where applicable, recommendations and proposals, with the relevant deadlines for follow-up, can be submitted to the administrative body.

(iii) To safeguard the independence and effectiveness of the internal audit function: to propose the selection, appointment, re-election and dismissal of the head of the internal audit service; to propose the budget for this service; to receive information about its activities regularly; to verify whether senior management takes into account the conclusions and recommendations in its reports; and to discuss with the auditor or auditing firms any significant weaknesses in the internal control system detected in the course of the audits.

(iv) To set up and supervise a mechanism that enables employees to anonymously and confidentially report any irregularities they may observe within the company.

(v) To approve, supervise, revise and oversee compliance with the Company's corporate social responsibility policy, which must focus on the creation of value at the Company and on fulfilment of its social and ethical duties.

- (c) With regards to the auditor:
    - (i) To bring proposals on the selection, appointment, re-election and replacement of the auditor, as well as the contract conditions for such party, to the Board and to be in charge of the selection process.
    - (ii) To regularly receive from the auditor information on the audit plan and the results of its implementation, and to verify whether senior management has taken its recommendations into account.
    - (iii) To establish an appropriate relationship with the auditor to receive information about any issues that could jeopardise the independence of the auditors, for examination by the Audit Committee, and any other information related to the progress of the auditing process, as well as any other correspondence stipulated in legislation on accounts auditing and auditing standards. At the least, it must receive written confirmation from the auditor or auditing firms once a year asserting their independence from the entity, or entities that are directly or indirectly related to it, as well as information about additional services of any kind provided to these entities by the aforementioned auditor or firms, or by individuals or entities related to them in accordance with legislation on accounts auditing.
    - (iv) To issue a report expressing an opinion on the independence of the auditor once a year, prior to issuance of the auditor's report. Such report must, in all cases, express a decision on the additional services referred to in the paragraph above.
  - (d) As regards the risk management and control policy:
    - (i) To propose to the Board of Directors a risk management and control policy, which shall identify as least: (i) the types of risk (operational, technological, financial, legal and reputational) to which the Company is exposed; (ii) setting the risk level deemed acceptable by the Company; (iii) measures to mitigate the impact of the risks identified, should they occur; and (iv) the control and reporting systems to be employed to control and manage said risks.
    - (ii) To supervise the operation of the Company's risk management and control unit, which is responsible for: (i) ensuring that the risk management and control systems function properly and, in particular, ensuring that all the significant risks affecting the Company are adequately identified, managed and quantified; (ii) actively participating in the creation of the risk strategy and in reaching important decisions about its implementation; and (iii) ensuring that the risk management and control systems adequately mitigate the risks in accordance with the policy defined by the Board of Directors.
  - (e) To review 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.
7. The Audit Committee must inform the Board of Directors before the latter adopts the relevant resolutions on the matters set forth by law, in the By-laws and in these Regulations and, specifically, on the following subjects:
- (a) The financial reports that the Company, due to its status as a listed company, must periodically publish. The Audit Committee shall ensure that interim financial statements are prepared using the same accounting criteria as the annual statements and, to this end, shall consider whether a limited review by the auditor is appropriate.
  - (b) 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 transactions or operations of a similar nature that, due to their complexity, could diminish the Company's transparency.
  - (c) Related-party transactions.
  - (d) Operations entailing structural and corporate modifications planned by the Company, analysing their financial terms and conditions, including, where applicable, the exchange ratio and impact on the accounts.
  - (...)

10. In relation to the corporate social responsibility policy, the Audit Committee must:
- (a) Propose the principles or commitments to be voluntarily undertaken by the Company in its relations with its diverse stakeholders;
  - (b) Identify the objectives of its corporate social responsibility policy and the support instruments to be deployed.
  - (c) Establish the corporate strategy with regards to sustainability, the environment and social issues.
  - (d) Determine specific practices on matters relating to: shareholders, employees, clients, suppliers, social welfare issues, the environment, diversity, fiscal responsibility, respect for human rights and the prevention of illegal conduct.
  - (e) Establish the methods or systems for monitoring the results of the specific practices referred to above, and identifying and managing related risks.
  - (f) Implement (1) monitoring mechanisms of non-financial risk, ethics and business conduct; and (2) the channels of communication, participation and dialogue with stakeholders; as well as responsible communication practices that prevent manipulation of information and protect integrity and honour."

On the other hand, Article 41 of the Regulations of the Board of Directors attributes the following duties to the Nomination and Compensation Committee:

- “(a) To assess the skills, knowledge and experience of the Board, describe the duties and skills required from the candidates to fill the vacancies, and assess the time and dedication required for them to perform the entrusted tasks.
- (b) To verify compliance with the board member hiring policy each year, and to report on this in the Annual Corporate Governance Report.
- (c) To examine and arrange the procedure for replacing the Chairman of the Board of Directors and, where appropriate, the chief executive, to make this process easily understood, and to make proposals to the Board to ensure that this process takes place in an orderly, well-planned manner.
- (d) To guide the proposals for the appointment and dismissal of members of Senior Management that the Chairman submits to the Board and the basic conditions of their contracts.
- (e) To raise proposals for appointments of independent directors to the Board of Directors, either for appointment under the co-option system or by submitting the proposal to the General Shareholders’ Meeting for a decision, and making proposals for re-election or removal of such directors by the General Shareholders’ Meeting.
- (f) To guide the proposals for appointments of other directors, either for appointment under the co-option system or by submitting the proposal to the General Shareholders’ Meeting for a decision, and making proposals for re-election or removal thereof by the General Shareholders’ Meeting.
- (g) To guide the Board on gender diversity issues, to set representation targets for the under-represented gender on the Board of Directors and to create guidelines for achieving such targets.
- (h) To arrange and coordinate periodic assessments of the Chairman of the Board of Directors and, in conjunction with this person, periodic assessments of the Board of Directors, its committees and the CEO of the Company.

2. The Nomination and Compensation Committee should consult with the company's Chairman or, in turn, chief executive, especially on matters relating to executive directors and senior officers. When there are vacancies on the board, any director may approach the Nomination and Compensation Committee to propose potential candidates that it considers suitable.

3. The Nomination and Compensation Committee, in addition to the duties indicated in previous sections, shall be responsible for the following in relation to remuneration:

- (a) Propose the following to the Board of Directors:



- (i) 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, as well as the individual remuneration and other contract conditions of executive directors, ensuring compliance with such policy.
  - (ii) The individual remuneration of directors and approval of the contracts entered into by the Company and its directors who carry out executive duties.
  - (iii) The types of contracts for Senior Management.
- (b) Ensure compliance with the remuneration policy for directors approved in the General Meeting.”

**Section D.2.**

For further information, see section 32 of the report of the Group's Consolidated Financial Statements corresponding to year-end 31 December 2020.

3. The company may also state whether it has voluntarily adhered to other international, sectoral or any other codes of ethical principles or good practices. If so, state the code in question and the date of adherence thereto. In particular, mention whether there has been adherence to the Code of Good Tax Practices of 20 July 2010.

The Group has been a signatory of the Principles of the United Nations Global Compact since 24 July 2008, and it became a partner of the Global Compact in 2011.

This annual corporate governance report was approved by the Company’s Board of Directors at its meeting held on 24 February 2021.

State whether any directors voted against or abstained in connection with the approval of this Report.

Yes

No

Individual or company name of director that did not vote in favour of the approval of this report	Reasons (opposed, abstained, absent)	Explain the reasons

## STATEMENT OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL INFORMATION 2020

The Directors of the Board of Directors of GESTAMP AUTOMOCIÓN, S.A. state that, to the best of their knowledge, the Individual Annual Financial Statements of GESTAMP AUTOMOCIÓN, S.A. and the Consolidated Annual Financial Statements (consolidated annual accounts) of GESTAMP AUTOMOCIÓN, S.A. and its subsidiaries for Fiscal Year 2020, drawn up by the Board of Directors at its meeting of February 24, 2021 and prepared in accordance with applicable accounting standards, present a fair view of the assets, financial condition and results of operations of GESTAMP AUTOMOCIÓN, S.A. and of the companies included in its scope of consolidation, taken as a whole, and that the Individual and Consolidated Management Reports contain a true assessment of the corporate performance and results and the position of GESTAMP AUTOMOCIÓN, S.A. and of the companies included in its scope of consolidation taken as a whole, as well as a description of the principal risks and uncertainties facing them.

Madrid, February 24, 2021.

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Mr. Francisco José Riberas Mera  
(Executive Chairman)

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Mr. Francisco López Peña  
(Director)

---

Mr. Juan María Riberas Mera  
(Director)

---

Mr. Tomofumi Osaki  
(Director)

---

Mr. Norimichi Hatayama  
(Director)

---

Mr. Alberto Rodríguez-Fraile Díaz  
(Director)

---

Mr. Javier Rodríguez Pellitero  
(Director)

---

Mr. Pedro Sainz de Baranda Riva  
(Director)

---

Mrs. Ana García Fau  
(Director)

---

Mr. César Cernuda Rego  
(Director)

---

Mr. Gonzalo Urquijo Fernández de Araoz  
(Director)

---

Mrs. Concepción Rivero Bermejo  
(Director)

The Secretary of the Board of Directors states for the record that this document does not include signature of Mr. Tomofumi Osaki, Mr. Norimichi Hatayama, Mr. Javier Rodríguez Pellitero, Mrs. Concepción Rivero Bermejo y Mr. César Cernuda Rego whom were not able to attend the Board of Directors meeting of 24 February 2021 due to the mobility restrictions established as a result of the health crisis caused by COVID-19. Notwithstanding, the referred Directors attended the meeting on line, and vote in favor of all items of the Agenda of the Board of Directors meeting (which includes the approval of the Individual and Consolidated Annual Financial Statements and of the Individual and Consolidated Management Reports for Fiscal Year 2020).

**Secretary**

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**Mr. David Vázquez Pascual**

**SIGN OFF OF CONSOLIDATED ANNUAL ACCOUNTS, MANAGEMENT REPORT AND ANNUAL CORPORATE GOVERNANCE REPORT**

The previous Consolidated Annual Financial Statements for the fiscal year 2020, from GESTAMP AUTOMOCIÓN, S.A. and subsidiaries, included in preceding pages 1 to 147, both inclusive, the Consolidated Management Report for the year 2020 included in the preceding pages 1 to 84, both inclusive, and the Annual Corporate Governance Report included in the preceding pages 1 to 105, both included, have been sign off by the members of the Board of Directors at their meeting on February 24, 2021.

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Don Francisco José Riberas Mera  
**President**

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Don Juan María Riberas Mera  
**Vicepresident**

---

Don Francisco López Peña  
**Vocal**

---

Don Tomofumi Osaka  
**Vocal**

---

Don Norimichi Hatayama  
**Vocal**

---

Don Alberto Rodríguez Fraile Díaz  
**Vocal**

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Don Javier Rodríguez Pellitero  
**Vocal**

---

Don Pedro Sainz de Baranda Riva  
**Vocal**

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Doña Ana García Fau  
**Vocal**

---

Don César Cernuda Rego  
**Vocal**

---

Don Gonzalo Urquijo Fernández de Aroz  
**Vocal**

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Doña Concepción Rivero Bermejo  
**Vocal**

The Secretary of the Board of Directors states for the record that this document does not include signature of Mr. Tomofumi Osaki, Mr. Norimichi Hatayama, Mr. Javier Rodríguez Pellitero, Mrs. Concepción Rivero Bermejo y Mr. César Cernuda Rego whom were not able to attend the Board of Directors meeting of 24 February 2021 due to the mobility restrictions established as a result of the health crisis caused by COVID-19. Notwithstanding, the referred Directors attended the meeting on line, and vote in favor of all items of the Agenda of the Board of Directors meeting. Thus, the approval of the Consolidated Annual Financial Statements and of the Consolidated Management Reports for Fiscal Year 2020 has been adopted unanimously.

**Secretary**

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**Mr. David Vázquez Pascual**

Audit Report on Financial Statements  
issued by an Independent Auditor

GESTAMP AUTOMOCIÓN, S.A.  
Financial Statements and Management Report  
for the year ended  
December 31, 2020

## **AUDIT REPORT ON FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR**

(Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails)

To the shareholders of GESTAMP AUTOMOCIÓN, S.A.:

### **Audit report on the financial statements**

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#### **Opinion**

We have audited the financial statements of GESTAMP AUTOMOCIÓN, S.A. (the Company), which comprise the balance sheet as at December 31, 2020, the income statement, the statement of changes in equity, the cash flow statement, and the notes thereto for the year then ended.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the equity and financial position of the Company as at December 31, 2020 and of its financial performance and its cash flows for the year then ended in accordance with the applicable regulatory framework for financial information in Spain (identified in note 2 to the accompanying financial statements) and, specifically, the accounting principles and criteria contained therein.

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#### **Basis for opinion**

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

### *Measurement of investments in group companies, jointly controlled entities, and associates*

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**Description** As explained in notes 8 and 9 to the accompanying financial statements, at December 31, 2020, the Company recognized equity instruments, loans to group companies, and debt securities totaling 3,844,964 thousand euros under current and non-current "Investments in group companies, jointly controlled entities, and associates." At each closing, management makes complex estimates that entail significant judgments to determine the existence of indications of impairment and, if necessary, estimates their recoverable amounts.

Given that the amounts of the investments in group companies, jointly controlled entities, and associates are significant and the inherent complexity of the analysis performed by management, we determined this to be a key audit matter.

The Company's accounting policies and the Information included in conformity with the applicable financial reporting framework are described in the accompanying notes 2.3, 2.4, 4.7, 8, 9, and 19 to the financial statements.

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**Our response** Among others, our audit procedures included the following:

- ▶ Understanding management's process to test its investments in Group companies, jointly controlled entities, and associates for impairment.
- ▶ Reviewing the reasonableness of the financial information and projected cash flows in the business plan used for investments with indications of impairment and for which fair value was determined based on value in use. To this end, we contrasted the projected information with other information sources: historical trends, the business plan approved by the Board of Directors, and other external sources.
- ▶ Involving our valuation specialists to verify the reasonableness of the methodology used to calculate value in use, discount rates, long-term growth rates, and the sensitivity calculations performed by management.
- ▶ Where the recoverable amount was determined based on the investment's equity, corrected for any unrealized capital gains, we used the valuations performed by independent third-party appraisers based on the current market, and the analysis and evaluation of reasonableness of the amount recorded for these assets at year-end using these measurements.
- ▶ Reviewing the disclosures included in the notes to the financial statements in conformity with the applicable financial reporting framework.



### *Recoverability of deferred tax assets*

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**Description** As explained in accompanying Note 15.2 to the financial statements, at December 31, 2020, the Company has deferred tax assets amounting to 32,545 thousand euros related to deductions and rebates, unused loss carryforwards, and other temporary deductible difference which management considers may be applied in future tax periods. Management's assessment of the recoverability of deferred tax assets is made using its estimates of future taxable profit, based on the Company's financial projections, business plans, and applicable tax regulations at any given time. The determination of the amount to be recovered in the future requires complex estimates that entail making significant judgments in establishing management's assumptions based on a reasonable period and the level of future taxable profit of the consolidated group.

Given that the amounts of deferred tax assets are significant and the inherent complexity of the analysis performed by management, we determined this to be a key audit matter.

The accounting policies and information included in conformity with the applicable financial reporting framework are described in notes 4.12, and 15.2 to the accompanying financial statements.

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**Our response** Among others, our audit procedures included the following:

- ▶ Understanding the processes established by management to analyze the recoverability of deferred tax assets.
- ▶ Assessing the assumptions and estimates used by management to determine the probability that the Company will obtain sufficient future taxable profit. This assessment entailed reviewing management's use of future budgets, business performance forecasts, and historical experience.
- ▶ Involving our team of tax specialists to review specific aspects of these estimates.
- ▶ Reviewing the disclosures included in the notes to the financial statements in conformity with the applicable financial reporting framework.

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### **Other information: Management Report**

Other information refers exclusively to the 2020 management report, the preparation of which is the responsibility of the company's directors and is not an integral part of the financial statements.

Our audit opinion on the financial statements does not include the management report. Our responsibility for the information contained in the management report is defined in prevailing audit regulations, which distinguish two levels of responsibility:

- a. A specific level applicable to certain information included in the Annual Corporate Governance Report, as defined in article 35.2 b) of Law 22/2015 on auditing, which solely requires that we verify whether said information has been included in the management report, and if not, disclose this fact.

- b. A general level applicable to the remaining information included in the management report, which requires us to evaluate and report on the consistency of said information in the financial statements, based on knowledge of the Company obtained during the audit, excluding information not obtained from evidence. Moreover, we are required to evaluate and report on whether the content and presentation of this part of the management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report that fact.

Based on the work performed, as described in the above paragraph, the information contained in the management report is consistent with that provided in the 2020 financial statements and their content and presentation are in conformity with applicable regulations.

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### **Responsibilities of the directors and the audit committee for the financial statements**

The directors are responsible for the preparation of the accompanying financial statements so that they give a true and fair view of the equity, financial position and results of the Company, in accordance with the regulatory framework for financial information applicable to the Company in Spain, identified in Note 2 to the accompanying financial statements, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Company's financial reporting process.

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### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee of the Company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee of the Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## Report on other legal and regulatory requirements

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### Additional report to the audit committee

The opinion expressed in this audit report is consistent with the additional report we issued to the audit committee of the Company on February 24, 2021.

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### Term of engagement

The Ordinary General Shareholders' meeting held on June 25, 2020 appointed us as auditors of GESTAMP AUTOMOCIÓN, S.A. for the period ended December 31, 2020.

Previously, we were appointed as auditors by the shareholders for 1 year and we have been carrying out the audit of the consolidated financial statements continuously since December 31, 1999.

ERNST & YOUNG, S.L.  
(Registered in the Official Register of  
Auditors under No. S0530)

(signed in the original version)

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María Florencia Krauss Padoani  
(Registered in the Official Register of  
Auditors under No. 22706)

February 24, 2021

**GESTAMP AUTOMOCIÓN, S.A.**

**Financial Statements and Management Report  
for the year ended  
December 31, 2020**

## CONTENTS

- Balance sheet at December 31, 2020
- Income statement for the year ended December 31, 2020
- Statement of changes in equity for the year ended December 31, 2020
- Statement of cash flows for the year ended December 31, 2020
- Notes to the financial statements for the year ended December 31, 2020
- Management report for the year ended December 31, 2020

**GESTAMP AUTOMOCIÓN, S.A.**

**BALANCE SHEET AT DECEMBER 31, 2020 AND DECEMBER 31, 2019**

(In Euros)

<b>ASSETS</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
<b>Non-current assets</b>		<b>2,506,717,276</b>	<b>1,774,370,117</b>
<b>Intangible assets</b>	<b>5</b>	<b>16,324,082</b>	<b>19,549,568</b>
Trademarks and Other		16,324,082	19,549,568
Goodwill			
<b>Property, plant, and equipment</b>	<b>6</b>	<b>148,656</b>	<b>93,497</b>
Land and buildings		82,102	83,880
Technical installations and other tangible fixed assets		66,554	9,617
<b>Real estate investments</b>	<b>7</b>	<b>21,803,653</b>	<b>22,353,148</b>
Land		5,775,822	5,775,822
Buildings		16,027,831	16,577,326
<b>Long-term investments in group companies and associates</b>		<b>2,400,512,948</b>	<b>1,668,559,313</b>
Equity instruments	<b>8</b>	1,504,590,521	731,056,836
Loans to associated companies	<b>9</b>	895,922,427	903,154,977
Representative debt values	<b>9.1</b>	-	34,347,500
<b>Non-current financial assets</b>		<b>35,382,440</b>	<b>33,315,033</b>
Equity instruments		305	305
Loans and receivables	<b>19.2</b>	35,380,935	32,116,327
Derivatives	<b>14</b>	-	1,197,201
Other non-current financial assets		1,200	1,200
<b>Deferred tax assets</b>		<b>32,545,497</b>	<b>30,499,558</b>
<b>Current assets</b>		<b>3,212,174,328</b>	<b>3,074,814,556</b>
<b>Non-current Assets Held for Sale</b>			
<b>Inventories</b>		<b>3,960</b>	<b>2,760</b>
Prepayments to suppliers		3,960	2,760
<b>Trade and other receivables</b>		<b>34,923,923</b>	<b>29,209,457</b>
Other receivables		4,357,471	-
Trade receivables, group and associated companies	<b>19</b>	26,191,222	23,250,656
Current income tax assets	<b>15</b>	4,366,919	5,953,340
Receivables from public authorities	<b>15</b>	8,311	5,461
<b>Short-term investments in group companies and associates</b>	<b>9</b>	<b>1,444,451,383</b>	<b>2,743,798,881</b>
Loans to associated companies		415,129,081	632,864,055
Other financial assets		998,687,302	2,110,934,826
Representative debt values		30,635,000	-
<b>Short-term Accruals</b>		<b>187,405</b>	<b>140,000</b>
<b>Cash and cash equivalents</b>	<b>10</b>	<b>1,732,607,657</b>	<b>301,663,458</b>
Cash		1,447,727,230	301,663,458
Other equivalent liquid assets		284,880,427	-
<b>Total assets</b>		<b>5,718,891,604</b>	<b>4,849,184,673</b>

**GESTAMP AUTOMOCIÓN, S.A.**

**BALANCE SHEET AT DECEMBER 31, 2020 AND DECEMBER 31, 2019**

(In Euros)

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
<b>Equity</b>		<b>801,062,702</b>	<b>846,811,041</b>
<b>OWN FUNDS</b>		<b>801,962,622</b>	<b>853,172,691</b>
<b>Capital</b>	<b>11.1</b>	<b>287,757,180</b>	<b>287,757,180</b>
Subscribed capital		287,757,180	287,757,180
<b>Share premium</b>	<b>11.2</b>	<b>61,591,287</b>	<b>61,591,287</b>
<b>Reserves</b>	<b>11.3</b>	<b>506,035,643</b>	<b>383,586,682</b>
Legal and statutory reserves		57,551,436	57,551,436
Other reserves		448,484,207	326,035,246
<b>Shares and participations in own equity.</b>		<b>(1,349,530)</b>	<b>(2,872,285)</b>
<b>Profit/ (loss) for the period</b>	<b>3</b>	<b>(52,071,958)</b>	<b>154,711,130</b>
<b>Interim Dividend</b>		<b>-</b>	<b>(31,601,303)</b>
<b>ADJUSTMENTS FOR CHANGES IN VALUE</b>	<b>12</b>	<b>(899,920)</b>	<b>(6,361,650)</b>
<b>Hedging transactions</b>		<b>(899,920)</b>	<b>(6,361,650)</b>
<b>Non-current liabilities</b>		<b>3,013,549,469</b>	<b>2,676,453,462</b>
<b>Provisions</b>	<b>13</b>	<b>3,568,460</b>	<b>2,260,523</b>
Benefit obligation		3,568,460	2,260,523
<b>Non trade liabilities</b>	<b>14</b>	<b>2,490,368,671</b>	<b>2,157,177,885</b>
Obligations and other negotiable securities		564,386,291	627,421,041
Interest-bearing loans and borrowings		1,886,210,214	1,475,666,008
Derivatives		39,772,166	54,090,836
<b>Non-current Liabilities - Payable to Group companies and Associates</b>	<b>14</b>	<b>519,612,338</b>	<b>517,015,054</b>
<b>Current liabilities</b>		<b>1,904,279,433</b>	<b>1,325,920,170</b>
<b>Non trade liabilities</b>	<b>14</b>	<b>497,037,336</b>	<b>101,664,280</b>
Interest-bearing loans and borrowings		497,007,508	69,147,494
Other current liabilities		29,828	32,516,786
<b>Current Liabilities - Payable to Group companies and Associates</b>	<b>14</b>	<b>1,405,365,881</b>	<b>1,221,985,948</b>
<b>Trade and other payables</b>	<b>14</b>	<b>1,876,216</b>	<b>2,269,942</b>
Trade accounts payable		111,458	371,436
Accrued wages and salaries		858,712	769,593
Payables to public authorities	<b>15</b>	906,046	1,128,913
<b>Total equity and liabilities</b>		<b>5,718,891,604</b>	<b>4,849,184,673</b>



**GESTAMP AUTOMOCIÓN, S.A.**

**INCOME STATEMENT AT DECEMBER 31, 2020 AND DECEMBER 31, 2019**

(In Euros)

	Note	2020	2019
<b>CONTINUING OPERATIONS</b>			
<b>Revenue</b>	16.1	<b>96,818,869</b>	<b>260,798,513</b>
Commercial and Intellectual property services		39,644,379	35,243,517
Revenues from other marketable securities to Associated Companies		55,993,390	75,266,134
Dividends		1,181,100	150,288,862
<b>Other Operating Incomes</b>	16.1	<b>11,109,423</b>	<b>2,671,442</b>
Non-core and other current operating revenues		11,108,087	2,671,442
Operating subsidies transferred to the result for the period		1,336	-
<b>Personnel expenses</b>		<b>(4,539,775)</b>	<b>(3,823,920)</b>
Wages, salaries and similar expenses		(4,265,585)	(3,520,572)
Social Charges	16.2	(274,190)	(303,348)
<b>Other Operating Expenses</b>		<b>(5,665,695)</b>	<b>(6,573,209)</b>
External Services	16.3	(5,259,013)	(5,882,444)
Taxes		(406,682)	(690,765)
<b>Fixed asset depreciation</b>	5 y 6	<b>(3,783,202)</b>	<b>(3,778,434)</b>
<b>Impairment and gains (losses) on sale of financial instruments</b>		<b>(53,491,319)</b>	<b>9,751,577</b>
Impairment losses	16.6	(53,491,319)	9,751,577
<b>Other results</b>		<b>(257,003)</b>	<b>19,066</b>
<b>OPERATING PROFIT</b>		<b>40,191,298</b>	<b>259,065,035</b>
<b>Financial income</b>	16.4	<b>3,129,262</b>	<b>941,610</b>
<b>From marketable securities and other financial instruments</b>		<b>3,129,262</b>	<b>941,610</b>
From third parties		3,129,262	941,610
<b>Financial expenses</b>	16.5	<b>(98,705,671)</b>	<b>(93,988,483)</b>
From payable to group and associated companies		(24,700,537)	(24,181,467)
From payable to third parties		(74,005,134)	(69,807,016)
<b>Change in Fair Value of Financial Instruments</b>		<b>(5,289,953)</b>	<b>(3,625,376)</b>
Taken to results for the year for-sale financial assets	14.2	(5,289,953)	(3,625,376)
<b>Exchange gains (losses)</b>	17	<b>3,294,277</b>	<b>(10,181,399)</b>
<b>FINANCIAL RESULT</b>		<b>(97,572,085)</b>	<b>(106,853,648)</b>
<b>PROFIT BEFORE TAXES</b>		<b>(57,380,787)</b>	<b>152,211,387</b>
Income Tax	15	5,308,829	2,499,743
<b>PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS</b>		<b>(52,071,958)</b>	<b>154,711,130</b>
<b>DISCONTINUED OPERATIONS</b>			
<b>Profit for the year from discontinued operations net of taxes</b>			
<b>PROFIT FOR THE YEAR</b>		<b>(52,071,958)</b>	<b>154,711,130</b>

**GESTAMP AUTOMOCIÓN, S.A.**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEARS 2020 AND 2019**  
(In Euros)

**A) RECOGNIZED INCOME AND EXPENSES STATEMENT**

	<b>2020</b>	<b>2019</b>
<b>PROFIT FOR THE YEAR</b>	<b>(52,071,958)</b>	<b>154,711,130</b>
Incomes and expenses directly attributed to equity		
For valuation of financial assets		
For cash flow hedges	30,058,722	5,198,097
Tax effect	(7,214,093)	(1,247,543)
	<b>(29,227,329)</b>	<b>158,661,684</b>
Transfers to Income Statement		
For valuation of financial assets		
For cash flow hedges	(22,872,235)	(5,355,120)
Tax effect	5,489,336	1,285,229
Total transfers to Income Statement	<b>(17,382,899)</b>	<b>(4,069,891)</b>
<b>TOTAL RECOGNIZED INCOME AND EXPENSES</b>	<b>(46,610,228)</b>	<b>154,591,793</b>

**GESTAMP AUTOMOCIÓN, S.A.**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEARS 2020 AND 2019**  
(In Euros)

**B) STATEMENTS OF TOTAL CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31**

	Capital		Share premium	Legal Reserve	Reserves	Own shares and equity interests	Profit (loss) for the year	Interim dividend	Adjustments for change in value	Total
	Subscribed	Uncalled								
<b>AT DECEMBER 31, 2018</b>	287,757,180	-	61,591,287	57,551,436	275,033,502	(6,041,271)	129,451,358	(37,345,729)	(6,242,313)	761,755,450
Adjustments made for changes in accounting policies 2018										
Adjustments due to 2018 errors										
<b>ADJUSTED BALANCE AT START OF 2019</b>	287,757,180	-	61,591,287	57,551,436	275,033,502	(6,041,271)	129,451,358	(37,345,729)	(6,242,313)	761,755,450
<b>Total recognised income and expenses</b>										
Transactions with shareholders or owners	-	-		-	51,001,744	3,168,986	154,711,130	5,744,426	(119,337)	154,591,793
Distribution of the 2018 result					92,105,629		(129,451,358)	37,345,729		(69,536,202)
Dividends distributed					(40,229,458)			(31,601,303)		(71,830,761)
Operations with own shares or shares (net)					(874,427)	3,168,986				2,294,559
<b>AT DECEMBER 31, 2019</b>	287,757,180	-	61,591,287	57,551,436	326,035,246	(2,872,285)	154,711,130	(31,601,303)	(6,361,650)	846,811,041
Adjustments made for changes in accounting policies 2019										
Adjustments due to 2019 errors										
<b>ADJUSTED BALANCE AT START OF 2020</b>	287,757,180	-	61,591,287	57,551,436	326,035,246	(2,872,285)	154,711,130	(31,601,303)	(6,361,650)	846,811,041
<b>Total recognised income and expenses</b>										
Transactions with shareholders or owners	-	-		-	122,448,961	1,522,755	(52,071,958)	31,601,303	5,461,730	(46,610,228)
Distribution of the 2019 result					123,099,269		(154,711,130)	31,611,861	-	861,889
Dividends distributed					(650,308)			(10,558)		(10,558)
Operations with own shares or shares (net)					448,484,207	1,522,755				872,447
<b>AT DECEMBER 31, 2020</b>	287,757,180	-	61,591,287	57,551,436	448,484,207	(1,349,530)	(52,071,958)	-	(899,920)	801,062,702

## GESTAMP AUTOMOCIÓN, S.A.

### STATEMENT OF CASH FLOWS AT DECEMBER 31, 2020 AND DECEMBER 31, 2019 (In Euros)

	Note	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the year before tax		(57,380,787)	152,211,387
Adjustments to profit		98,980,053	(124,610,817)
Depreciation and amortization of intangible assets and PP&E	5,6,7	3,783,202	3,778,434
Impairment of intangible assets and PP&E	8.1	53,491,319	(9,751,577)
Change in provisions	13	1,307,937	63,732
Income from dividends y trading securities	16.4	(60,303,752)	(226,496,606)
Financial expenses	16.5	98,705,671	93,988,483
Exchange rate differences	17	(3,294,277)	10,181,341
Change in Fair Value of Financial Instruments		5,289,953	3,625,376
Changes in working capital		(7,901,794)	(3,750,208)
Trade and other receivables		(7,506,868)	(3,865,292)
Other current assets		(1,200)	31,573
Trade and other payables		(393,726)	83,511
Other cash-flows from operating activities		(38,873,051)	103,782,989
Interest paid		(95,789,539)	(94,545,086)
Dividends received		1,181,100	150,297,368
Interest received		55,404,945	52,204,890
Proceeds (payments) of income tax		330,443	(4,174,183)
<b>Cash flows from operating activities</b>		<b>(5,175,579)</b>	<b>127,633,351</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments on investments		(945,620,772)	(1,349,403,283)
Group companies and associates		(943,279,018)	(1,349,379,574)
Intangible assets		-	(18,128)
Property, plant and equipment		(63,380)	(5,581)
Other financial assets		(2,278,374)	-
Proceeds from divestments		1,458,539,079	1,094,947,509
Group companies and associates		1,457,699,383	1,090,070,653
Other financial asset		839,696	4,876,856
<b>Cash flows from investing activities</b>		<b>512,918,307</b>	<b>(254,455,774)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Receivables and payments for equity instruments		872,447	2,294,559
Acquisition of own equity instruments		(32,885,108)	(54,488,101)
Disposal of own equity instruments		33,757,555	56,782,660
Proceeds and payments on financial liabilities		953,940,885	279,647,485
Issue		1,367,851,232	941,916,892
Bond and other negotiable securities		80,690,750	235,292,471
Interest-bearing loans and borrowings		881,140,888	83,187,651
Borrowings from Group companies and associates		405,991,983	623,436,770
Other creditors		27,611	-
Repayment of		(413,910,347)	(662,269,407)
Bond, debt obligations and other negotiable securities		(108,278,693)	(445,742)
Interest-bearing loans and borrowings		(85,260,540)	(114,300,058)
Borrowings from Group companies and associates		(220,371,113)	(547,522,143)
Other creditors		-	(1,464)
Payments on dividends and other equity instruments		(31,611,861)	(77,575,188)
Dividends	11.3	(31,611,861)	(77,575,188)
<b>Cash flows from financing activities</b>		<b>923,201,471</b>	<b>204,366,856</b>
<b>EFFECT OF CHANGES IN EXCHANGE RATES</b>			
<b>NET INCREASE/ DECREASE OF CASH OR CASH EQUIVALENTS</b>		<b>1,430,944,199</b>	<b>77,544,433</b>
Cash and cash equivalents at the beginning of the year	10	301,663,458	224,119,025
Cash and cash equivalents at the end of the year	10	1,732,607,657	301,663,458

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

#### **1. ACTIVITY OF THE COMPANY**

Gestamp Automoción, S.A. (the "Company") has its registered address in the Polígono Industrial de Lebario industrial park in Abadiño, Vizcaya. The Company was incorporated for an indefinite period via a public deed executed on December 22, 1997, before Bilbao notary José Antonio Isusi Escurrida, under number 4.852 of his protocol. The Company is on file at the Vicaya Companies Register in tome 3.614, section 8, page BI-21245, folio 107, inscription 1 TIN: A-48943864

From April 7, 2017, the shares of the Parent Company are listed on the Madrid, Barcelona, Valencia and Bilbao Stock Market. The Company mainly provides advisory, financing and connection services to its subsidiaries, which engage in activities related to the automotive industry. As part of its activity, the Company charges its subsidiaries a royalty for use of the Gestamp trademark (Note 5) based on sales, and obtains revenue from the lease of properties to group companies (Note 7).

The Company belongs to a group whose parent is its majority shareholder, Acek Desarrollo y Gestión Industrial, S.L., formerly called Corporación Gestamp, S.L. (hereinafter Grupo Acek), which changed its corporate name pursuant to a resolution adopted by shareholders at the Extraordinary and Universal General Meeting held on February 5, 2015. The change of name was executed in a public deed on the same date. Transfer prices between Group entities and also between third parties related to the Group are appropriately supported by a transfer pricing dossier as it is established in the legislation in force.

As explained in Note 19, Gestamp Automoción, S.A. performs and maintains significant balances and transactions with related parties, therefore, to interpret this Annual Accounts you should take into account these circumstances.

The Acek Desarrollo y Gestión Industrial, S.L. Group's consolidated financial statements for the year ended December 31, 2018, the management report for the year then ended and the related audit report, will be placed on file at the Madrid Companies Register.

The Company's directors also prepare consolidated financial statements for Gestamp Automoción Group, of which the Company is the parent (Note 2.4).

#### **COVID-19**

During the first quarter of 2020, the COVID-19 virus spread around the world and was declared a pandemic by the World Health Organization on March 11, 2020. In response, many governments imposed a quarantine situation, severe restrictions on travel, as well as other public safety measures, which has caused major disruption to the economies of many countries. These measures have caused an important slowdown in economic activity, so that projections for light vehicle production volumes for 2020 and 2021 show a decreased of a 16%, compared to the estimates prior to the pandemic.

In this environment, the role of the Company in the Group has been key, accessing new financing to preserve the group's liquidity position.

#### **2. BASIS OF PRESENTATION**

The financial statements have been prepared in accordance with the Spanish General Chart of Accounts (*Plan General de Contabilidad*) approved by Royal Decree 1514/2007, of November 16, as amended by Royal Decree 602/2016, of December 2, and all other prevailing company law.

The accompanying financial statements have been prepared by the directors of the Company and will be submitted for approval by the General Shareholders' Meeting. It is expected that they will be approved without modification.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

The figures shown herein are in euros (€), unless stated otherwise.

#### **2.1 Fair presentation**

The financial statements have been prepared from the auxiliary accounting records of the Company in accordance with prevailing accounting legislation to present fairly the Company's equity, financial position and results. The statement of cash flows has been prepared to present fairly the origin and use of the Company's monetary assets representing cash and cash equivalents.

The accompanying financial statements have been prepared by the directors of the Company on a going concern basis.

#### **2.2 Comparative information**

In accordance with company law, for comparative purposes the Company included the 2019 figures in addition to those of 2020 for each item of the balance sheet, the income statement, the statement of changes in equity and the statement of cash flows. Quantitative information for 2018 is also included in the notes to the financial statements unless an accounting standard specifically states that this is not required.

#### **2.3 Critical issues regarding the measurement and estimation of uncertainties**

The directors prepared the Company's financial statements using estimates based on historical experience and other factors considered reasonable under the circumstances. The carrying amounts of assets and liabilities, which were not readily apparent from other sources, were established on the basis of these estimates. The Company reviews these estimates on an ongoing basis. However, given the uncertainty inherent in them, the need may arise to make significant adjustments to the carrying amounts of assets and liabilities affected in future periods should significant changes occur in the assumptions or circumstances on which the resulting values were based. Where applicable, these adjustments are made prospectively, with the related effects recognized in the financial statements of the corresponding year.

#### **2.4 Key estimates**

Key assumptions concerning the future and other relevant data on the uncertainty of estimates at the reporting date, which could entail a considerable risk of significant changes in the value of assets and liabilities in the subsequent reporting period, are as follows:

a) **Impairment of non-current assets**

Estimates must be made when measuring non-current assets other than financial assets, especially goodwill, to determine their fair value in order to assess whether the assets may be impaired. To determine fair value, the Company's directors estimate the expected future cash flows from the assets or the cash-generating units to which they belong, applying an appropriate discount rate to calculate the present value of these cash flows. Future cash flows depend on the fulfillment of budgets for the coming five years. Note 5.2 discusses the assumptions used to calculate value in use of the cash-generating units. Also in certain cases the valuation of an external third party is used, to calculate tacit capital gains on land and buildings in the dependent companies.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

#### b) Impairment of current financial assets

To determine the impairment of investments in group companies, jointly controlled entities and associates, the Company's directors estimate the expected future cash flows from the assets or the cash-generating units to which they belong, applying an appropriate discount rate to calculate the present value of these cash flows. Future cash flows depend on the fulfillment of budgets for the years forecast. The value in use of the cash-generating units has been calculated following assumptions that are analysed in Note 8.3

#### c) Deferred tax assets

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses for which it is probable that the Company will have sufficient future taxable profit available enabling their application. To determine the amount of deferred tax assets that can be recognized, the Directors estimate the amounts and dates on which future taxable profits will be obtained, and the period of reversal of taxable temporary differences. The Directors of the Company estimate that the deferred tax assets registered will be recover within a maximum period of 10 years.

### Consolidated financial statements

On the same date, the directors authorized for issue the consolidated financial statements of Gestamp Automoción, S.A. and subsidiaries for 2020, which showed consolidated total assets of € 9,357 million, consolidated equity of €1,954 million and consolidated profit attributable to the Company of €212.2 million.

## 3. DISTRIBUTION OF PROFIT

The distribution of 2020 profit proposed by the directors and expected to be approved at the General Shareholders Meeting is as follows:

(€)	2020
Basis of distribution	
Profit for the year	(52,071,958)
	<b>(52,071,958)</b>
Appropriation to:	
Losses to be compensated	(52,071,958)
	<b>(52,071,958)</b>

### 3.1 Limitations on the distribution of dividends

The Company must earmark 10% of profit for the year for the legal reserve until such reserve represents at least 20% of the share capital. The legal reserve is not available for distribution to shareholders unless it exceeds 20% of the share capital (Note 11.3).

Dividends may only be drawn on the year's profit or freely available reserves after meeting the requirements laid down by law and in the by-laws, and if the value of the corporate equity is not, or as a result of such distribution would not be, less than the company's capital. For these purposes, any profit directly allocated to total equity may not be distributed either directly or indirectly. In the event of losses in preceding years that reduce the Company's equity to less than the amount of share capital, profit shall be used to offset these losses.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

Until 2016, the Company provisioned a restricted reserve equivalent to the goodwill booked as an asset on the balance sheet, earmarking to this end a portion of its profits representing at least five per cent of the amount of such goodwill. As a result of the amendments introduced by Law 22/2015, the obligation to provision this reserve no longer exists.

In addition, the distribution of dividends is restricted in accordance with the stipulations of the syndicated loans detailed in Note 14.1.

#### **4. RECOGNITION AND MEASUREMENT STANDARDS**

The main recognition and measurement standards applied by the Company in the preparation of the accompanying financial statements are as follows:

##### **4.1 Intangible assets**

Intangible assets are initially measured at cost, determined as the purchase price or production cost.

After initial recognition, intangible assets are carried at cost less accumulated amortization and any accumulated impairment.

Intangible assets with a finite useful life are amortized on a systematic basis in accordance with their estimated useful life and residual value. Amortization methods and periods are reviewed at the end of each reporting period, and adjusted prospectively where applicable. Intangible assets are tested for impairment at least at each financial period end and any impairment is recognized.

##### Trademark

The trademark is measured initially at acquisition cost, established based on the valuation by an independent expert. Until 2015, it was considered to be an indefinite-life intangible asset and, therefore, was not amortized. From 2016, following approval of the accounting reform, with prospective effect, the Company amortizes its trademark over a period of 10 years. At least annually, it is analyzed whether there are indications of impairment of the cash generating units to which the trademark has been assigned, and, if there are, the possible impairment is verified in accordance with Note 4.5.

##### Goodwill

Goodwill is measured initially, upon acquisition, at cost, and recognized as the excess of the cost of the business combination over the fair value of the identifiable assets acquired less the liabilities assumed.

Exceptionally, goodwill existing at the date of transition to the Spanish General Chart of Accounts (*Plan General de Contabilidad*) approved by Royal Decree 1514/2007, is recognized at its carrying amount at January 1, 2008; i.e. at cost less accumulated depreciation recognized at that date in accordance with the accounting standards in force previously.

In accordance with the General Chart of Accounts approved by Royal Decree 1514/2007, the goodwill was not amortized and, instead, the cash generating units to which goodwill had been assigned on the acquisition date were, at least annually, subjected to the verification of their possible deterioration of the value, recording, where appropriate, the corresponding valuation adjustment for impairment.

With effect from January 1, 2016, goodwill is amortized on a straight-line basis over a useful life of 10 years, as provided for in Royal Decree 602/2016, of December 2. At December 31<sup>st</sup>, goodwill is totally amortized.



## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

#### 4.2 Property, plant and equipment

Elements of property, plant and equipment are measured at cost, determined as the purchase price or production cost. The cost of property, plant and equipment acquired in business combinations is the acquisition-date fair value.

After initial recognition, property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment.

When available for use, property, plant and equipment are depreciated on a straight-line basis over their estimated useful life.

The years of estimated useful life of property, plant and equipment are as follows:

	Years of useful life
Buildings	35 years

The Company reviews the assets' residual values, useful lives and depreciation methods at the end of each reporting period and adjusts them prospectively where applicable.

#### 4.3 Investment property

Land and buildings leased to third parties are classified as investment property. The criteria set out for property, plant, and equipment are applied to investment property.

Depreciation of investment property is calculated on a straight-line basis over an estimated useful life on 35 years.

Incomes from property investments belong to operating leases.

#### 4.4 Leases

When determining the classification of leases, the Company takes into consideration, as indicators of the transfer of the risks and rewards of ownership of the leased assets, the following:

- The lease term covers all or the major part of the economic life of the asset,
- The present value of the minimum lease payments amounts to substantially all the fair value of the leased asset.
- The specialized nature of the leased assets restricts their use to the lessee.
- The lessee can continue the lease for a secondary period at a rent that is substantially lower than market rent.

##### Company as lessee

Operating lease payments are recognized as expenses in the income statement when accrued.

##### Company as lessor

Income from operating leases is recognized in the income statement when accrued. The carrying amount is increased by the amount of directly attributable contract costs, which are recognized as an expense over the lease term using the same criteria as for the recognition of lease income.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

#### **4.5 Impairment of non-financial assets**

At least at the end of each reporting period, the Company assesses whether there is any indication that a non-current asset or, where applicable, a cash-generating unit may be impaired. If an indication exists, estimates the asset's recoverable amount.

There is no signal of impairment on intangible assets, property plant neither equipment.

A detailed explanation of the measurement criteria used to calculate the recoverable amount of goodwill and of the Gestamp trademark acquired in 2013 from the majority shareholder is provided in Note 5.

Impairment and any reversals thereof are recognized in the income statement as a part of the operating profit. Impairment losses are reversed only if the circumstances that gave rise to the impairment cease to exist. Goodwill impairment losses cannot be reversed. Impairment is only reversed up to the limit of the carrying amount of the asset that would have been determined had the impairment loss not been recognized.

#### **4.6 Financial assets**

##### *Classification and measurement*

##### *Loans and receivables*

The Company recognizes in this category trade and non-trade receivables, which include financial assets with fixed or determinable payments not traded in an active market for which the Company expects to recover all of its initial investment, for reasons other than credit deterioration.

These assets are initially measured at fair value. In the absence of evidence to the contrary, this is the transaction price, which is equivalent to the fair value of the consideration given plus directly attributable transaction costs.

The financial assets included in this category are subsequently measured at amortized cost.

##### *Held-to-maturity investments*

These include debt securities with fixed maturity and fixed or determinable payments traded in an active market, which the Company has the positive intention and financial ability to hold to maturity.

These assets are initially measured at fair value. In the absence of evidence to the contrary, this is the transaction price, which is equivalent to the fair value of the consideration given plus directly attributable transaction costs.

The financial assets included in this category are subsequently measured at amortized cost.

##### *Equity investments in group companies, jointly controlled entities and associates*

This category includes equity investments in companies over which the Company has control (group companies), joint control through a statutory or contractual arrangement (jointly controlled entities) or has significant influence (associates).

These assets are initially measured at fair value. In the absence of evidence to the contrary, this is the transaction price, which is equivalent to the fair value of the consideration given plus directly attributable transaction costs.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

Investments in group companies are recognized, where applicable, based on the accounting principles for transactions with group companies (Note 4.16) and if is applicable section 2.2. of the Standard and Registration Valuation 21 of the General Accounting Plan.

When an investment is newly classified as an investment in a group company, jointly controlled entity or associate, the cost is deemed to be the investment's recognized carrying amount immediately prior to the company being classified as such. Where applicable, prior valuation adjustments related to the investment recognized directly in equity remain in equity until the investment is either sold or impaired.

Equity investments in group companies, jointly controlled entities and associates are subsequently measured at cost less any accumulated impairment.

#### *Hedging derivatives*

These include derivatives classified as hedging instruments. Financial instruments which have been designated as hedging instruments are measured as indicated in Note 4.9.

#### *Derecognition*

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or have been transferred, provided that substantially all the risks and rewards of ownership have been transferred.

If the Company has neither transferred nor retained substantially all the risks and rewards, it derecognizes the financial asset when it has not retained control over that asset. If the Company has retained control, it continues to recognize the financial asset at the amount of its exposure to variability in the value of the transferred asset; that is, to the extent of its continuing involvement in the financial asset. The associated liability is also recognized.

The gain or loss on derecognition of the financial asset is determined as the difference between the consideration received net of attributable transaction costs, including any new asset obtained less any liability assumed, and the carrying amount of the financial asset, plus any accumulated amount recognized directly in equity. The gain or loss is recognized in profit or loss for the reporting period in which it arises.

#### *Interest and dividends from financial assets*

Interest and dividends accrued on financial assets after acquisition are recognized as income in the income statement. Interest is accounted for using the effective interest rate method, while dividends are recognized when the right to receive payment is established.

Upon initial measurement of financial assets, accrued explicit interest receivable at the measurement date is recognized separately, based on maturity. Dividends declared by the pertinent body at the acquisition date are also accounted for separately. Explicit interest is the interest obtained by applying the financial instrument's contractual interest rate.

If distributed dividends are clearly derived from profits generated prior to the acquisition date because amounts have been distributed which are higher than the profits generated by the investment acquisition, the difference is accounted for as a deduction in the carrying amount of the investment and not recognized as income.

#### **4.7 Impairment of financial assets**

The Company adjusts the carrying amount of financial assets with a charge to the income statement when there is objective evidence that the asset is impaired.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

To determine impairment losses on financial assets, the Company assesses the potential loss of individual as well as groups of assets with similar risk exposure.

#### Debt instruments

There is objective evidence that debt instruments (receivables, loans, other financial assets and debt securities) are impaired as a result of an event occurring after initial recognition and leading to a reduction or delay in estimated future cash flows.

The Company classifies as impaired assets (non-performing assets) debt instruments for which there is objective evidence of impairment, which refers basically to the existence of data which evidence the possible irrecoverability of total agreed-upon future cash flows.

For financial assets measured at amortized cost, the amount of the impairment loss is measured as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate calculated upon initial recognition. For variable interest financial assets, the effective interest rate at the reporting date is used.

Reversals of impairment are recognized as income in the income statement up to the limit of the carrying amount of the financial asset that would have been recorded at the reversal date had the impairment loss not been recognized.

If the recoverable amount is calculated based on value in use, the debt instruments shown under "Investments in group companies and associates" are included in the cross-checks carried out when testing for impairment of equity instruments.

#### Equity instruments

For equity investments in group companies, jointly controlled entities and associates, the impairment loss is measured as the difference between the carrying amount and the recoverable amount. The recoverable amount is the higher of fair value less costs to sell and the present value of the future cash flows from the investment.

The value in use is the current value of projected cash flows, using risk-free market interest rates, adjusted for the specific risks associated with the asset. For those assets that do not generate cash flows, largely independent of those derived from other assets or groups of assets, the recoverable amount is determined for the cash generating units to which those assets belong.

The fair value less costs of sell are calculated by the Company based on the equity of the investee corrected for tacit capital gains that the investee may have. These tacit capital gains, mainly of land and buildings, are obtained from the assessment of an independent expert.

The recoverable amount is the higher of the fair value of the asset less costs to sell and its value in use. The asset is considered impaired when its carrying amount exceeds its recoverable amount. The value in use is the present value of the future cash flows expected to be obtained, discounted at a market risk-free rate and adjusted for any risks specific to the asset. For those assets that do not generate cash inflows that are largely independent of those from other assets or groups of assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

The fair value less costs to sell is calculated by the Company using the equity of the investee adjusted by the amount of any tacit capital gains that the invested company could have. These tacit capital gains, mainly land and buildings, are obtained from and independent expert.

The reversal of an impairment loss is recognized in the income statement. The loss can only be reversed up to the limit of the carrying amount of the investment that would have been disclosed at the reversal date had the impairment loss not been recognized.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

#### **4.8 Financial liabilities**

##### Classification and measurement

###### *Debts and payables*

This category includes financial liabilities arising on the purchase of goods and services in the course of the Company's trade transactions, and non-trade payables that are not derivatives.

Financial liabilities included in this category are initially measured at fair value. In the absence of evidence to the contrary, this is the transaction price, which is equivalent to the fair value of the consideration received, adjusted for directly attributable transaction costs.

The financial liabilities included in this category are subsequently measured at amortized cost. Accrued interest is recognized in the income statement using the effective interest rate method.

Nonetheless, trade payables falling due within one year for which there is no contractual interest rate, and called-up equity holdings expected to be settled in the short term are measured at their nominal amount, provided that the effect of not discounting the cash flows is immaterial.

###### *Hedging derivatives*

These include derivatives classified as hedging instruments.

Financial instruments which have been designated as hedging instruments are measured as indicated in Note 4.9.

##### Derecognition

The Company derecognizes a financial liability when the obligation is extinguished.

An exchange of debt instruments with substantially different terms entails derecognition of the original financial liability and recognition of the new financial liability. Similarly, any substantial modification of the terms of an existing financial liability is also recognized.

The difference between the carrying amount of a financial liability, or part of that liability, that has been derecognized and the consideration given, including attributable transaction costs and any asset transferred (other than cash) or liability assumed, is recognized in profit or loss for the reporting period in which it arises.

In an exchange of debt instruments that do not have substantially different terms, the original financial liability is not derecognized. Fees and commissions paid are accounted for as an adjustment to the carrying amount. The new amortized cost of the financial asset is calculated using the effective interest rate, which is the discount rate that equates the carrying amount of the financial liability at the modification date to the cash flows payable under the new terms.

For these purposes, the terms of the contract are considered substantially different when the lender is the same that granted the original loan and the present value of the cash flows from the new financial liability, including any net fees, differs by at least 10% from the discounted present value of the remaining cash flows from the original financial liability, discounted using the effect interest rate of the latter.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

#### **4.9 Derivative financial instruments and hedges**

The Company arranges cash flow hedges (of interest rates) with a number of entities operating in organized markets. The purposes of these arrangements are to hedge the risk of fluctuations in floating interest rates on part of the loans and bank borrowings held and on part of the Company's expected future borrowings.

These financial derivatives designated as cash flows are recognized initially in the balance sheet at cost and subsequently the necessary valuation adjustments are made to reflect the market value at any given time.

The ineffective portion of changes in the market value of the hedging instruments is recognized in the income statement and the effective portion in "Cumulative gains on cash flow hedges - Hedges." The cumulative gain or loss previously recognized in these items is reclassified to the income statement line affected by the hedged item as this item affects profit or loss or in the reporting period in which the hedged item is sold.

Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

#### **4.10 Cash and cash equivalents**

Cash and cash equivalents include cash, current accounts, short-term deposits and purchases of assets under resale agreements which meet the following criteria:

- They are convertible to cash.
- They have a maturity of three months or less from the date of acquisition.
- There is no significant risk of changes in value.
- They form part of the Company's usual cash management strategy.

For the purposes of the statement of cash flows, cash may also include occasional overdrafts when these form an integral part of the Company's cash management.

#### **4.11 Provisions and contingencies**

The Company recognizes provisions when it has a present obligation (legal, contractual, constructive or tacit) arising from past events, the settlement of which is expected to result in an outflow of resources and the amount of which can be measured reliably.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation or transfer it to a third party. Adjustments arising from the discounting of the provision are recognized as a finance expense when accrued. Provisions expiring within one year are not discounted where the financial effect is not material. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

Reimbursements receivable from a third party on settlement of the obligation do not reduce the amount of the debt, but are recognized as an asset, provided that there is no doubt as to its collection. The amount of the asset must not exceed the amount of the obligation recognized. Where a risk is externalized by means of a legal or contractual agreement, provision is only made for the part of the risk assumed by the Company.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

In addition, contingent liabilities are considered to be possible obligations that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, as well as present obligations arising from past events not recognized because it is not probable that an outflow of resources will be required to settle the obligation or because the amount of the obligation cannot be measured with sufficient reliability. These liabilities are not recognized, but are disclosed in the accompanying notes, unless the possibility of an outflow of resources is remote.

#### **4.12 Income tax**

Income tax expense for the year is calculated as the sum of current tax resulting from applying the corresponding tax rate to taxable profit for the year, less deductions and other tax relief, taking into account changes during the year in recognized deferred tax assets and liabilities. The tax expense is recognized in the income statement, except when it relates to transactions recognized directly in equity, in which case the related tax is likewise recognized in equity, and in the initial accounting of business combinations, in which case it is recognized as with the remaining assets and liabilities of the business acquired.

Deferred taxes are recognized for temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts. The tax base of an asset or liability is the amount attributed to it for tax purposes.

The tax effect of temporary differences is included in "Deferred tax assets" or "Deferred tax liabilities" on the balance sheet, as applicable.

The Company recognizes deferred tax liabilities for all taxable temporary differences, except where disallowed under prevailing tax legislation.

The Company recognizes deferred tax assets for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent that it is probable that it will have future taxable profit against which these assets may be utilized, except where disallowed by prevailing tax legislation.

At the end of each reporting period, the Company reassesses recognized and previously unrecognized deferred tax assets. Based on this analysis, the Company then derecognizes previously recorded deferred tax assets when recovery is no longer probable, or recognizes a previously unrecorded deferred tax asset to the extent that it is probable that future taxable profit will enable its application.

Deferred tax assets and liabilities are measured using the tax rates expected to prevail upon their reversal, based on tax legislation approved, and in accordance with the manner in which the assets are reasonably expected to be recovered and liabilities settled.

Deferred tax assets and deferred tax liabilities are not discounted and are classified as non-current assets or non-current liabilities, regardless of the date they are expected to be realized or settled.

#### Tax consolidation regime

In application of the consolidated tax regime, the individual income tax payable to or receivable from subsidiaries are included in the Parent's individual income tax statement for the reporting period for subsequent settlement with the government as representative of the tax group.

Accordingly, the resulting income tax payable or receivable is recorded in accounts with group companies.



## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

#### **4.13 Classification of current and non-current assets and liabilities**

Assets and liabilities are classified in the balance sheet as current or non-current. Accordingly, assets and liabilities are classified as current when they are associated with the Company's normal operating cycle and it is expected that they will be sold, consumed, realized or settled within the normal course of that cycle; when they differ from the aforementioned assets and are expected to mature, to be sold or settled within one year; and when they are held for trading or are cash and cash equivalents whose use is not restricted to one year.

#### **4.14 Revenue and expenses**

Revenue and expenses are recorded according to the accruals principle, at the moment the goods or services transactions represented by them take place, regardless of when actual payment or collection occurs.

#### **4.15 Foreign currency transactions**

The Company's functional and presentation currency is the euro.

Foreign currency transactions are translated into euros at the spot exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currency are translated at the spot rate prevailing at the reporting date. Exchange gains or losses arising on this process and on settlement of these assets and liabilities are recognized in the income statement for the reporting period in which they occur.

#### **4.16 Related party transactions**

Transactions with related parties are made and accounted at market value. The prices of the transactions carried out with related parties are adequately supported, so that the Company's Directors consider that there are no risks that could cause significant tax liabilities.

However, the transaction of non-monetary business contributions, and mergers and spin-off transactions would follow the accounting for the Registration and Valuation Standard 21 section 2.2 of the General Accounting Plan. During the year no non-monetary contribution, merger or spin-off was made.

#### **4.17 Termination benefits**

In accordance with prevailing labor legislation, the Company is required to pay indemnities to employees whose contracts are terminated under certain circumstances. Reasonably quantifiable termination benefits are recognized as an expense in the year in which the company has created a valid expectation with respect to third parties that it will assume an obligation.



## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

#### 5. INTANGIBLE ASSETS

The movements in items composing “Intangible assets” are as follows:

(€)	Opening balance	Additions and allowances	Closing balance
<b>2020</b>			
Patents, licenses, trademarks, and similar rights	32,253,937	-	32,253,937
Goodwill	38,050,213	-	38,050,213
<b>Depreciation</b>			
Patents, licenses, trademarks, and similar rights	(12,704,369)	(3,225,486)	(15,929,855)
Goodwill	(38,050,213)	-	(38,050,213)
	<b>19,549,568</b>	<b>(3,225,486)</b>	<b>16,324,082</b>

(€)	Opening balance	Additions and allowances	Closing balance
<b>2019</b>			
Patents, licenses, trademarks, and similar rights	32,235,809	18,128	32,253,937
Goodwill	38,050,213	-	38,050,213
<b>Depreciation</b>			
Patents, licenses, trademarks, and similar rights	(9,480,094)	(3,224,275)	(12,704,369)
Goodwill	(38,050,213)	-	(38,050,213)
	<b>22,755,715</b>	<b>(3,206,147)</b>	<b>19,549,568</b>

#### 5.1 Significant movements

The goodwill, totally amortized, arose in 2001 from the merger with Modular Business & Ingeniería, S.L., and related to the difference between the value of the investment shown on the acquiree's balance sheet and the acquirer's equity at the effective date of the merger (January 1, 2001). This goodwill is totally amortized since 2018.

The amount shown for “Patents, licenses, trademarks and similar rights” relates, mainly, to the Gestamp trademark for the automotive components acquired on January 1, 2013 from Acek Desarrollo y Gestión Industrial, S.L., for €31,060,000, and the related acquisition costs.

#### 5.2 Impairment testing of intangible assets

The trademark has no signal of impairment.

#### 5.3 Other disclosures

No items of intangible assets were acquired from group companies in either 2020 or 2019. At December 31, 2020 and 2019, there were no firm commitments to acquire intangible assets.

**GESTAMP AUTOMOCIÓN, S.A.****Notes to the financial statements for the year ended December 31, 2020****6. PROPERTY, PLANT AND EQUIPMENT**

The movements in items composing “Property, plant and equipment” are as follows:

(€)	Opening balance	Additions and allowances	Closing balance
<b>2020</b>			
Cost			
Land and buildings	93,733	-	93,733
Other property, plant and equipment	20,318	63,380	83,698
	114,051	63,380	177,431
Accumulated depreciation			
Land and buildings	(9,853)	(1,778)	(11,631)
Other property, plant and equipment	(10,701)	(6,443)	(17,144)
	(20,554)	(8,221)	(28,775)
<b>Carrying amount</b>	<b>93,497</b>	<b>55,159</b>	<b>148,656</b>

(€)	Opening balance	Additions and allowances	Closing balance
<b>2019</b>			
Cost			
Land and buildings	93,733	-	93,733
Other property, plant and equipment	14,737	5,581	20,318
	108,470	5,581	114,051
Accumulated depreciation			
Land and buildings	(8,075)	(1,778)	(9,853)
Other property, plant and equipment	(7,814)	(2,887)	(10,701)
	(15,889)	(4,665)	(20,554)
<b>Carrying amount</b>	<b>92,581</b>	<b>916</b>	<b>93,497</b>

Company policy is to take out all the insurance policies considered necessary to cover the risks to which its property, plant and equipment and investment property might be exposed (Note 7).

**7. INVESTMENT PROPERTY**

The movements in items composing “Investment property” at December 31, 2020 are as follows:

(€)	Opening balance	Additions and allowances	Closing balance
<b>2020</b>			
Land	5,775,822	-	5,775,822
Buildings	19,621,547	-	19,621,547
	25,397,369	-	25,397,369
Accumulated depreciation			
Land			
Buildings	(3,044,221)	(549,495)	(3,593,716)
	(3,044,221)	(549,495)	(3,593,716)
<b>Carrying amount</b>	<b>22,353,148</b>	<b>(549,495)</b>	<b>21,803,653</b>

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

(€)	Opening balance	Additions and allowances	Closing balance
<b>2019</b>			
Land	5,775,822	-	5,775,822
Buildings	19,621,547	-	19,621,547
	25,397,369	-	25,397,369
Accumulated depreciation			
Land			
Buildings	(2,494,727)	(549,494)	(3,044,221)
	(2,494,727)	(549,494)	(3,044,221)
<b>Carrying amount</b>	<b>22,902,642</b>	<b>(549,494)</b>	<b>22,353,148</b>

On December 23, 2014, the Company acquired the properties located in Vigo and Bizkaia (Abadiño) from group company Inmobiliaria Acek, S.L. for €24.9 million. This value was taken from an independent expert appraisal.

The Company leased the industrial buildings in Vigo and Abadiño to group companies Gestamp Vigo, S.A. and Gestamp North Europe Services, S.L., respectively during 2020 and 2019.

Revenues from investments properties are recorded within other operating income (see note 16.1)

#### 7.1 Other disclosures

At the end of the reporting period, the Company did not have any investment properties located outside of Spain, or any firm commitments to acquire real estate assets.

#### 7.2 Operating leases

##### Company as a lessee

The Company has been a lessee mainly of its offices in Boroa, since January 2018. This lease has an initial duration of 60 months, being tacitly renewable for annual periods. The contract has been canceled in January 2021.

The company is a lessee of software that does not present significant commitments, too (see note 16.3).

##### Company as a lessor

The original leases expired in 2018 and were tacitly renewed for a period of five years, the contracts with Gestamp Vigo, S.A. and Gestamp North Europe Services, S.L., to the 11st December 2022. The contracts include tacit annual renewal up to a maximum of three.

The future minimum rentals receivable under these non-cancellable operating leases at December 31 are as follows:

€	2020	2019
Within one year	1,891,402	1,891,402
Between one and five years	1,796,832	3,688,234

## GESTAMP AUTOMOCIÓN, S.A.

Notes to the financial statements for the year ended December 31, 2020

### 8. INVESTMENTS IN GROUP COMPANIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES

The movements in items composing “Investments in group companies, jointly controlled entities and associates” are as follows:

(€)	Opening balance	Additions	Disposals	Provision for impairment	Closing balance
<b>2020</b>					
Equity instruments	731,056,836	836,025,004	(9,000,000)	(53,491,319)	1,504,590,521
	<b>731,056,836</b>	<b>836,025,004</b>	<b>(9,000,000)</b>	<b>(53,491,319)</b>	<b>1,504,590,521</b>
<b>2019</b>					
Equity instruments	720,638,355	666,904	-	9,751,577	731,056,836
	<b>720,638,355</b>	<b>666,904</b>	-	<b>9,751,577</b>	<b>731,056,836</b>

#### 8.1 Significant movements

##### Movements – 2020

On February 11<sup>th</sup> 2020, the Company attends the capital increase of Gestamp Sweden, for the amount of € 760,354,700. This contribution corresponds to the acquisition of 203.642 shares and modifies the interest held in the company that changes from 30.02% to 93.15%.

On February 28<sup>th</sup> 2020, the Company acquires to Edscha Holding GmbH, the interest that it held in Gestamp Finance Slovakia s.r.o., for amount of € 75,003,750. This contribution modifies the interest held that change from 25% to 100%.

On June 30<sup>th</sup> 2020, Gestamp Auto Components (Wuhan) CO., LTD, carries about a capital reduction for amount of € 9,000,000, by the refund of this amount. The interest held in this company was unchanged, remaining at 100%.

On December 30, 2020, the Company made a deferred payment of € 666,554, to the original owners of the Company Reparaciones Industriales Zaldívar, S.L. The interest held in this company was unchanged, remaining at 99.98%.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

The movements in impairment losses are as follows:

(€)	Opening balance at January 1, 2020	Additions / (Disposals)	Closing balance at December 31, 2020	Impairment losses at January 1, 2020	(Impairment) / Reversals	Impairment losses at December 31, 2020	Net carrying amount at December 31, 2020
AUTOTECH ENGINEERING, AIE	2,300,000	-	2,300,000	-	-	-	2,300,000
GESTAMP BIZKAIA, S.A.	139,239,507	-	139,239,507	-	-	-	139,239,507
GESTAMP ESMAR, S. A.	355	-	355	-	-	-	355
GESTAMP LINARES, S. A.	562,802	-	562,802	-	-	-	562,802
GESTAMP CERVEIRA, LDA.	14,764,073	-	14,764,073	-	-	-	14,764,073
GESTAMP TECH, S.L.	10	-	10	-	-	-	10
GESTAMP VIGO, S.A.	66,803,761	-	66,803,761	-	-	-	66,803,761
GESTAMP METALBAGES, S. A.	76,947,027	-	76,947,027	-	-	-	76,947,027
GESTAMP LEVANTE, S. L.	12,191,572	-	12,191,572	-	-	-	12,191,572
GESTAMP NAVARRA, S.A.	29,325,000	-	29,325,000	-	-	-	29,325,000
GESTAMP PALENCIA, S. A.	36,428,405	-	36,428,405	-	-	-	36,428,405
GESTAMP SERVICIOS, S.A.	70,874,177	-	70,874,177	-	-	-	70,874,177
EDSCHA KUNSTSTOFFTECHNIK GMBH	6,010	-	6,010	-	-	-	6,010
GESTAMP TOLEDO, S.A.	80,821,720	-	80,821,720	-	(10,846,969)	(10,846,969)	69,974,751
G. GLOBAL TOOLING, S. L.	64,898,309	-	64,898,309	(2,208,535)	(14,313,513)	(16,522,048)	48,376,261
EDSCHA SANTANDER S.L.	454,777	-	454,777	-	-	-	454,777
GESTAMP ABRERA, S. A.	395,938	-	395,938	-	-	-	395,938
G. SOLBLANK BARCELONA, S.A.	801,180	-	801,180	(553,472)	(247,708)	(801,180)	-
EDSCHA HENGBERSBEGR REAL ESTATE GMBH	106,635	-	106,635	-	-	-	106,635
EDSCHA HAUZENBERG REAL ESTATE GMBH	42,973	-	42,973	-	-	-	42,973
GESTAMP VENDAS NOVAS, LDA.	14,805,400	-	14,805,400	(4,962,938)	901,732	(4,061,206)	10,744,194
G. NORTH EUROPE SERV, S.L.	3,059	-	3,059	-	-	-	3,059
G. MANUFACT. AUTOCH, S. L.	425,000	-	425,000	(425,000)	-	(425,000)	-
GESTAMP ARAGÓN, S.A.	430,000	-	430,000	-	-	-	430,000
G. FINANCE SLOVAKIA, S.R.O.	25,001,250	75,003,750	100,005,000	(569,491)	(4,766,652)	(5,336,143)	94,668,857
GESTAMP HOLD MÉXICO, S.L.	1	-	1	-	-	-	1
G. HOLDING ARGENTINA, S.L.	10,867,092	-	10,867,092	(8,614,804)	(666,929)	(9,281,733)	1,585,359
GESTIÓN GLOBAL MATRICERÍA, S.L.	4,200,000	-	4,200,000	(328,058)	-	(328,058)	3,871,942
G. FUNDING LUXEMBURGO, S.A.	2,000,000	-	2,000,000	-	-	-	2,000,000
LOIRE, SAFE	8,855,856	-	8,855,856	-	-	-	8,855,856
GESTAMP 2017, S.L.	3,000	-	3,000	-	-	-	3,000
GESTAMP HOLDING RUSIA, S.L.	28,043,000	-	28,043,000	(6,627,295)	(15,399,981)	(22,027,276)	6,015,724
G. TECHNOLOGY INSTITUTE, S.L.	3,401,866	-	3,401,866	(2,303,211)	(721,731)	(3,024,942)	376,924
GESTAMP HUNGRIA KFT	62,052,792	-	62,052,792	(41,917,257)	(5,841,850)	(47,759,107)	14,293,685
GESTAMP AUTO COMPONENTS (WUHAN) CO., LTD.	11,000,000	(9,000,000)	2,000,000	(1,285,296)	-	(1,285,296)	714,704
GESTAMP NITRA, S.R.O.	3,331,284	-	3,331,284	-	-	-	3,331,284
GLOBAL LÁSER ARABA, S.L.	750,000	-	750,000	-	-	-	750,000
DIEDE D. DEVELOP., S. L.	798,990	-	798,990	-	-	-	798,990
REPARACIONES INDUSTRIALES ZALDIBAR, S.L.	2,666,215	666,554	3,332,769	(35,624)	(1,587,718)	(1,623,342)	1,709,427
GESTAMP SWEDEN, AB	25,288,781	760,354,700	785,643,481	-	-	-	785,643,481
<b>TOTAL</b>	<b>800,887,817</b>	<b>827,025,004</b>	<b>1,627,912,821</b>	<b>(69,830,981)</b>	<b>(53,491,319)</b>	<b>(123,322,300)</b>	<b>1,504,590,521</b>

### Movements – 2019

On December 18, 2019, the Company made a contribution of shareholders of € 350 to the Company Gestamp Esmar, S.A. The interest held in this company was unchanged, remaining at 0.01%.

On December 30, 2019, the Company made a deferred payment of € 666,554, to the original owners of the Company Reparaciones Industriales Zaldibar, S.L. The interest held in this company was unchanged, remaining at 99.98%.

The movements in impairment losses are as follows:

(€)	Cost Particip. 31.12.18 Opening balance at January 1, 2019	Additions / (Disposals)	Closing balance at December 31, 2019	Impairment losses at January 1, 2019	(Impairment) / Reversals	Impairment losses at December 31, 2019	Net carrying amount at December 31, 2019
AUTOTECH ENGINEERING, AIE	2,300,000	-	2,300,000	-	-	-	2,300,000
GESTAMP BIZKAIA, S.A.	139,239,507	-	139,239,507	-	-	-	139,239,507
GESTAMP ESMAR, S. A.	5	350	355	-	-	-	355
GESTAMP LINARES, S. A.	562,802	-	562,802	-	-	-	562,802
GESTAMP CERVEIRA, LDA.	14,764,073	-	14,764,073	-	-	-	14,764,073
GESTAMP TECH, S.L.	10	-	10	-	-	-	10
GESTAMP VIGO, S.A.	66,803,761	-	66,803,761	-	-	-	66,803,761
GESTAMP METALBAGES, S. A.	76,947,027	-	76,947,027	-	-	-	76,947,027
GESTAMP LEVANTE, S. L.	12,191,572	-	12,191,572	-	-	-	12,191,572
GESTAMP NAVARRA, S.A.	29,325,000	-	29,325,000	-	-	-	29,325,000
GESTAMP PALENCIA, S. A.	36,428,405	-	36,428,405	-	-	-	36,428,405
GESTAMP SERVICIOS, S.A.	70,874,177	-	70,874,177	-	-	-	70,874,177
EDSCHA KUNSTSTOFFTECHNIK GMBH	6,010	-	6,010	-	-	-	6,010
GESTAMP TOLEDO, S.A.	80,821,720	-	80,821,720	-	-	-	80,821,720
G. GLOBAL TOOLING, S. L.	64,898,309	-	64,898,309	(2,208,535)	-	(2,208,535)	62,689,774
EDSCHA SANTANDER S.L.	454,777	-	454,777	-	-	-	454,777
GESTAMP ABRERA, S. A.	395,938	-	395,938	-	-	-	395,938
G. SOLBLANK BARCELONA, S.A.	801,180	-	801,180	(87,221)	(466,251)	(553,472)	247,708
EDSCHA HENGBERSBEGR REAL ESTATE GMBH	106,635	-	106,635	-	-	-	106,635
EDSCHA HAUZENBERG REAL ESTATE GMBH	42,973	-	42,973	-	-	-	42,973
GESTAMP VENDAS NOVAS, LDA.	14,805,400	-	14,805,400	(5,867,340)	904,402	(4,962,938)	9,842,462
G. NORTH EUROPE SERV, S.L.	3,059	-	3,059	-	-	-	3,059
G. MANUFACT. AUTOCH, S. L.	425,000	-	425,000	(115,364)	(309,636)	(425,000)	-
GESTAMP ARAGÓN, S.A.	430,000	-	430,000	-	-	-	430,000
G. FINANCE SLOVAKIA, S.R.O.	25,001,250	-	25,001,250	(705,087)	135,596	(569,491)	24,431,759
GESTAMP HOLD MÉXICO, S.L.	1	-	1	-	-	-	1
G. HOLDING ARGENTINA, S.L.	10,867,092	-	10,867,092	(8,086,392)	(528,412)	(8,614,804)	2,252,288
GESTIÓN GLOBAL MATRICERÍA, S.L.	4,200,000	-	4,200,000	(339,362)	11,304	(328,058)	3,871,942

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2020

(€)	Cost Particip. 31.12.18 Opening balance at January 1, 2019	Additions / (Disposals)	Closing balance at December 31, 2019	Impairment losses at January 1, 2019	(Impairment) / Reversals	Impairment losses at December 31, 2019	Net carrying amount at December 31, 2019
G. FUNDING LUXEMBURGO, S.A.	2,000,000	-	2,000,000	-	-	-	2,000,000
LOIRE, SAFE	8,855,856	-	8,855,856	-	-	-	8,855,856
GESTAMP 2017, S.L.	3,000	-	3,000	-	-	-	3,000
GESTAMP HOLDING RUSIA, S.L.	28,043,000	-	28,043,000	(16,258,259)	9,630,964	(6,627,295)	21,415,705
G. TECHNOLOGY INSTITUTE, S.L.	3,401,866	-	3,401,866	(2,303,211)	-	(2,303,211)	1,098,655
GESTAMP HUNGRIA KFT	62,052,792	-	62,052,792	(41,917,257)	-	(41,917,257)	20,135,535
GESTAMP AUTO COMPONENTS (WUHAN) CO., LTD.	11,000,000	-	11,000,000	(1,474,197)	188,901	(1,285,296)	9,714,704
GESTAMP NITRA, S.R.O.	3,331,284	-	3,331,284	-	-	-	3,331,284
GLOBAL LÁSER ÁRABA, S.L.	750,000	-	750,000	(220,333)	220,333	-	750,000
DIEDE D. DEVELOP., S. L.	798,990	-	798,990	-	-	-	798,990
REPARACIONES INDUSTRIALES ZALDIBAR, S.L.	1,999,661	666,554	2,666,215	-	(35,624)	(35,624)	2,630,591
GESTAMP SWEDEN, AB	25,288,781	-	25,288,781	-	-	-	25,288,781
<b>TOTAL</b>	<b>800,220,913</b>	<b>666,904</b>	<b>800,887,817</b>	<b>(79,582,558)</b>	<b>9,751,577</b>	<b>(69,830,981)</b>	<b>731,056,836</b>

## 8.2 Description of investments in group companies, jointly controlled entities and associates

Information on direct investments in group companies, jointly controlled entities and associates at December 31 is as follows:

€ 0	% shareholding		Net carrying amount	Capital	Reserves	Dividends Distributed	Profit (loss) for the year	Total equity	Underlying carrying amount
	Direct	Indirect							
<b>2020</b>									
Gestamp Bizkaia, S.A.	85.31%	14.69%	139,239	7,670	340,215	-	8,443	356,329	303,984
Gestamp Vigo, S.A. <sup>1</sup>	99.99%	1.00%	66,804	25,697	25,724	-	(1,467)	49,954	49,949
Gestamp Cerveira, LDA.	39.37%	60.63%	14,764	27,414	10,541	(3,000)	5,777	40,732	16,036
Gestamp Toledo, S.L. <sup>1</sup>	99.99%	0.01%	69,975	25,346	21,934	-	(3,617)	43,663	43,659
Autotech Engineering AIE <sup>1</sup>	10.00%	90.00%	2,300	23,000	28,706	-	3,364	55,070	5,507
Gestamp Solblank Barcelona, S.A. <sup>1</sup>	5.01%	94.99%	-	8,513	(1,209)	-	(1,788)	5,516	276
Gestamp Palencia, S.A. <sup>1</sup>	100.00%	0.00%	36,428	19,093	29,633	-	14,593	63,319	63,319
Gestamp Linares, S.A. <sup>1</sup>	5.02%	94.98%	563	9,010	7,037	-	(494)	15,553	781
Gestamp Servicios, S.L. <sup>1</sup>	99.99%	0.01%	70,874	18,561	248,836	-	2,511	269,908	269,881
Gestamp Metalbages, S.A. <sup>1</sup>	100.00%	0.00%	76,947	45,762	12,851	-	(3,429)	55,184	55,184
Gestamp Navarra, S.A. <sup>1</sup>	71.37%	28.63%	29,325	40,080	6,427	-	17,657	64,164	45,794
Gestamp Aragón, S.A.	5.00%	95.00%	430	3,000	5,768	-	4,749	13,517	676
Gestamp Abredera, S.A.	5.01%	94.99%	396	6,000	5,157	-	1,917	13,074	655
Gestamp Levante, S.L.	88.49%	11.51%	12,192	1,074	26,209	-	5,147	32,430	28,697
Gestamp Hungría, KFT <sup>1</sup>	100.00%	0.00%	14,294	2,728	11,466	-	(3,601)	10,593	10,593
Gestamp Manufacturing Autochasis, S.L. <sup>1</sup>	5.00%	95.00%	-	2,000	5,162	-	4,372	11,534	577
Gestamp Holding Rusia S.L.	25.18%	52.35%	6,016	21,325	63,459	-	(10)	84,773	21,346
Gestamp Global Tooling, S.L.	99.99%	0.01%	48,376	62,500	(24,374)	-	(22,023)	16,103	16,101
Gestamp Vendas Novas S.L.	100.00%	0.00%	10,744	605	9,146	-	761	10,512	10,512
Gestamp North Europe Services S.L.	99.97%	0.03%	3	3	8,327	-	4,718	13,048	13,044
LOIRE, SAFE <sup>1</sup>	99.00%	1.00%	8,856	1,600	15,423	-	(3,074)	13,949	13,810
Gestamp Funding Luxemburgo, S.A.	100.00%	0.00%	2,000	2,000	1,948	-	-	3,948	3,948
Gestamp Holding Argentina, S.L.	10.80%	69.89%	1,585	120,000	(1,433)	-	(810)	117,757	12,718
Gestamp Techn Institute, S.L.	99.97%	0.03%	377	3	1,042	-	(672)	373	373
Gestamp Autocomponents WUHAN <sup>1</sup>	100.00%	0.00%	715	754	(225)	-	48	578	578
Edscha Santander, S.A. <sup>1</sup>	5.03%	94.97%	455	2,693	21,427	-	(3,110)	21,011	1,057
Edscha Hengersberg Real Estate Gmbh <sup>1</sup>	5.10%	94.90%	107	2,091	1,289	-	2,221	5,601	286
Gestamp Nitra S.r.o.	100.00%	0.00%	3,331	5	19,690	-	9,616	29,311	29,311
Global Láser Araba, S.L.	30.00%	0.00%	750	2,500	920	-	80	3,500	1,050
Edscha Hauzenberg Real Estate Gmbh <sup>1</sup>	5.10%	94.90%	43	843	751	-	184	1,778	91
Gestamp Finance Slovakia S.r.o.	100.00%	0.00%	94,669	100,005	(2,590)	-	(4,882)	92,533	92,533
Gestamp 2017, S.L.	100.00%	0.00%	3	3	(2)	-	-	1	1
Gestamp Global Matricerías, S.L.	30.00%	0.00%	3,872	14,000	(1,279)	-	(1,466)	11,255	3,376
Diede Die Developments, S.L.	100.00%	0.00%	799	806	334	-	1,583	2,724	2,724
Gestamp Sweden, AB	93.15%	6.85%	785,643	2,190	965,512	-	(99,055)	868,647	809,145
Reparaciones Industriales Zaldibar, S.L.,	99.98%	0.00%	1,709	6	2,360	-	(657)	1,709	1,709
Edscha Kunststofftechnik, GmbH	0.10%	0.00%	6	2	583	-	78	663	1

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

€ 0	% shareholding		Net carrying amount	Capital	Reserves	Dividends Distributed	Profit (loss) for the year	Total equity	Underlying carrying amount
	Direct	Indirect							
<b>2019</b>									
Gestamp Bizkaia, S.A.	85.31%	14.69%	139,240	7,670	331,010	-	9,030	347,710	296,631
Gestamp Vigo, S.A. <sup>1</sup>	99.99%	1.00%	66,804	25,697	25,666	-	(137)	51,226	51,221
Gestamp Cerveira, LDA.	39.37%	60.63%	14,764	27,414	5,642	(3,850)	8,660	37,866	14,908
Gestamp Toledo, S.L. <sup>1</sup>	99.99%	0.01%	80,822	25,346	29,099	-	(7,403)	47,042	47,037
Autotech Engineering AIE <sup>1</sup>	10.00%	90.00%	2,300	23,000	16,458	-	1,869	41,327	4,133
Gestamp Solblank Barcelona, S.A. <sup>1</sup>	5.01%	94.99%	248	8,513	2,420	-	(3,659)	7,274	364
Gestamp Palencia, S.A. <sup>1</sup>	100.00%	0.00%	36,429	19,093	27,981	(17,000)	18,613	48,687	48,687
Gestamp Linares, S.A. <sup>1</sup>	5.02%	94.98%	563	9,010	4,438	-	2,699	16,147	811
Gestamp Servicios, S.L. <sup>1</sup>	99.99%	0.01%	70,874	18,703	186,775	(10,000)	75,586	271,064	271,037
Gestamp Metalbages, S.A. <sup>1</sup>	100.00%	0.00%	76,947	45,762	38,178	(102,428)	76,996	58,508	58,508
Gestamp Navarra, S.A. <sup>1</sup>	71.37%	28.63%	29,325	40,080	13,837	(26,440)	20,786	48,263	34,445
Gestamp Aragón, S.A.	5.00%	95.00%	430	3,000	670	-	5,318	8,988	449
Gestamp Abrebra, S.A.	5.01%	94.99%	396	6,000	1,321	-	8,320	11,141	558
Gestamp Levante, S.L.	88.49%	11.51%	12,192	1,074	20,742	-	5,364	27,180	24,052
Gestamp Hungría, KFT <sup>1</sup>	100.00%	0.00%	20,136	2,985	13,208	-	(662)	15,531	15,531
Gestamp Manufacturing Autochasis, S.L. <sup>1</sup>	5.00%	95.00%	-	2,000	404	-	4,640	7,044	352
Gestamp Holding Rusia S.L.	25.18%	52.35%	21,416	21,325	25,418	-	38,041	84,784	21,349
Gestamp Global Tooling, S.L.	99.99%	0.01%	62,690	62,500	(6,701)	-	(17,549)	38,246	38,246
Gestamp Vendas Novas S.L.	100.00%	0.00%	9,843	605	8,251	-	895	9,751	9,751
Gestamp North Europe Services S.L.	99.97%	0.03%	3	3	4,078	-	4,249	8,330	8,328
LOIRE, SAFE <sup>1</sup>	99.00%	1.00%	8,856	1,600	16,563	-	(1,822)	16,341	16,178
Gestamp Funding Luxemburgo, S.A.	100.00%	0.00%	2,000	2,000	1,271	-	677	3,948	3,948
Gestamp Holding Argentina, S.L.	10.80%	69.89%	2,253	120,000	(634)	-	(799)	118,567	12,805
Gestamp Techn Institute, S.L.	99.97%	0.03%	1,099	3	1,146	-	(104)	1,045	1,045
Gestamp Autocomponents WUHAN <sup>1</sup>	100.00%	0.00%	9,715	9,941	(352)	-	121	9,710	9,710
Edscha Santander, S.A. <sup>1</sup>	5.03%	94.97%	455	2,693	25,762	-	(4,336)	24,119	1,213
Edscha Hengersberg Real Estate GmbH <sup>1</sup>	5.10%	94.90%	107	2,091	1,149	-	140	3,380	172
Gestamp Nitra S.r.o.	100.00%	0.00%	3,331	5	9,855	-	9,806	19,666	19,666
Global Láser Araba, S.L.	30.00%	0.00%	750	2,500	(777)	-	1,697	3,420	1,026
Edscha Hauzenberg Real Estate GmbH <sup>1</sup>	5.10%	94.90%	43	843	846	-	(95)	1,594	81
Gestamp Finance Slovakia S.r.o.	25.00%	75.00%	24,432	100,005	(6,552)	-	3,960	97,413	24,353
Gestamp 2017, S.L.	100.00%	0.00%	3	3	(1)	-	-	2	2
Gestamp Global Matricerías, S.L.	30.00%	0.00%	3,872	14,000	(1,172)	-	(121)	12,707	3,812
Diede Die Developments, S.L.	100.00%	0.00%	799	806	783	-	(449)	1,140	1,140
Gestamp Sweden, AB	30.02%	69.98%	25,289	41	120,006	-	(3,268)	116,779	35,057
Reparaciones Industriales Zaldibar, S.L.,	99.98%	0.00%	2,631	6	1,523	-	838	2,367	2,367

### 8.3 Impairment of investments in group companies, jointly controlled entities and associates

The impairment loss on investments in certain Gestamp Automoción, S.A. subsidiaries was calculated in accordance with their value in use. The value in use calculation was made using cash flow projections from budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using a 1% growth rate, which is a reasonable long-term average growth rate for the industry and lower than the rate expected for the previous five years. The discount rates applied per country to the (pre-tax) cash flow projections were:

Country	Discount rate 2020	Discount rate 2019
Spain	9.30%	8.46%
Hungary	10.43%	11.28%
Argentina	19.65%	21.50%
Portugal	11.69%	11.3%
Rusia	9.31%	8.46%

The economic projections made in the previous years have shown significant differences between the real figures, due to the pandemic situation.

However, in some investments with evidence of impairment, the recoverable value of the impairment analysis has also been compared using the net equity figure of the subsidiary or the corresponding subgroup, adjusted by the amount of the unrealized gains disclosed, in proportion to the direct participation held by the Company. From the mentioned analysis in 2020 there have been reversals for impairment losses of 902 thousand euros and an allowance for impairment losses of 54,393 thousand euros (see Note 8.1). In relation to 2019 there have been reversals for impairment losses of 11,092 thousand euros and an allowance for impairment losses of 1,340 thousand euros (see Note 8.1).

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

#### 8.4 Other disclosures

The activities and registered addresses of direct and indirect investees at December 2020 and 2019 are as follows:

Company	Address	Country	December 31, 2020		Activity	Consolidation method	Auditors
			Direct shareholding	Indirect shareholding			
Gestamp Automoción, S.A.	Vizcaya	Spain	Parent company		Portfolio company	Full	Ernst & Young
Gestamp Bizkaia, S.A.	Vizcaya	Spain	85.31%		14.69% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Vigo, S.A.	Pontevedra	Spain	99.99%		0.01% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Cerveira, Lda.	Viana do Castelo	Portugal	42.25%		57.75% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toledo, S.A.	Toledo	Spain	99.99%		0.01% Tooling and parts manufacturing	Full	Ernst & Young
Autotech Engineering S.L.	Vizcaya	Spain	10.00%		90.00% Research and development	Full	Ernst & Young
SCI de Tournan en Brrie	Tournan	France	0.10%		99.90% Property	Full	N/A
Gestamp Solblank Barcelona, S.A.	Barcelona	Spain	5.01%		94.99% Tailor-welded blanks	Full	Ernst & Young
Gestamp Palencia, S.A.	Palencia	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Argentina, S.A.	Buenos Aires	Argentina			70.00% Portfolio company	Full	Ernst & Young
Gestamp Córdoba, S.A.	Córdoba	Argentina			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Linares, S.A.	Jaén	Spain	5.02%		94.98% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios, S.A.	Madrid	Spain	100.00%		Business promotion and support	Full	Ernst & Young
Matriceiras Deusto, S.L.	Vizcaya	Spain			100.00% Manufacturing of dies	Full	Ernst & Young
Gestamp Tech, S.L.	Palencia	Spain	0.33%		99.67% No activity	Full	N/A
Gestamp Brasil Industria de Autopeças, S.A.	Parana	Brazil			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Metalbages, S.A.	Barcelona	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Esmar, S.A.	Barcelona	Spain	0.10%		99.90% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Noury, S.A.S	Tournan	France			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Aveiro, S.A.	Aveiro	Portugal			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Grive Subgroup	Westerburg	Germany			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Aguascalientes, S.A.de C.V.	Aguas Calientes	Mexico			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Mexicana Servicios Laborales, S.A.de C.V.	Aguas Calientes	Mexico			70.00% Employment's services	Full	Ernst & Young
Gestamp Puebla, S.A.de C.V.	Puebla	Mexico			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Cartera de México, S.A. de C.V.	Puebla	Mexico			70.00% Portfolio company	Full	N/A
Gestamp Mexicana de Serv. Laborales, S.A.de C.V.	Aguas Calientes	Mexico			70.00% Employment's services	Full	Ernst & Young
Gestamp Ingeniería Europa Sur, S.L.	Barcelona	Spain			100.00% Service provision	Full	Ernst & Young



## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

December 31, 2020							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Todlem, S.L.	Barcelona	Spain		58.13%	Portfolio company	Full	Ernst & Young
Gestamp Navarra, S.A.	Navarra	Spain	71.37%		28.63% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Baires, S.A.	Buenos Aires	Argentina			70.00% Dies, stamping and parts manufacturing	Full	Ernst & Young
Ingeniería Global MB, S.A.	Barcelona	Spain			100.00% Administration services	Full	N/A
Gestamp Aragón, S.A.	Zaragoza	Spain	5.01%		94.99% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Abrera, S.A.	Barcelona	Spain	5.01%		94.99% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Levante, S.A.	Valencia	Spain	88.50%		11.50% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Solblank Navarra, S.L.	Navarra	Spain			100.00% Tooling and welding	Full	N/A
MB Aragón P21, S.L.	Barcelona	Spain			100.00% Tooling and parts manufacturing	Full	N/A
Gestamp Polska, SP. Z.O.O.	Wielkopolska	Poland			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Washington UK Limited	Newcastle	United Kingdom			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Hungaria KFT	Akai	Hungary	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp North America, INC	Michigan	USA			70.00% Administration services	Full	Ernst & Young
Gestamp Sweden, AB	Lulea	Sweden	93.15%		6.85% Portfolio company	Full	Ernst & Young
Gestamp HardTech, AB	Lulea	Sweden			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Mason, LLC.	Michigan	USA			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Alabama, LLC.	Alabama	USA			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Ronchamp, S.A.S	Ronchamp	France			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Manufacturing Autochasis, S.L.	Barcelona	Spain			94.99% Tooling and parts manufacturing	Full	Ernst & Young
Industrias Tamer, S.A.	Barcelona	Spain	5.01%		43.00% Tooling and parts manufacturing	Equity method	Ernst & Young
Gestamp Tooling Services, AIE	Vizcaya	Spain			100.00% Mould engineering and design	Full	Ernst & Young
Gestamp Auto Components (Kunshan) Co., Ltd	Kunshan	China			68.95% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Kartek Co, Ltd.	Gyeongangnam-Do	South Korea			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Beççelik Gestamp Kalip, A.S.	Bursa	Turkey			50.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toluca SA de CV	Puebla	Mexico			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios laborales de Toluca SA de CV	Puebla	Mexico			69.93% Employment services	Full	Ernst & Young
Gestamp Services India Private, Ltd.	Mumbai	India			100.00% Tooling and parts manufacturing	Full	S.B. Dave & Co.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

December 31, 2020						
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Auditors
Consolidation method						
Gestamp Severstal Vsevolozhsk Uic	Saint Petersburg	Russia		58.13%	Tooling and parts manufacturing	Ernst & Young
Adral, matriceria y pta. a punto, S.L.	Vizcaya	Spain		100.00%	Mould manufacturing and tuning	Ernst & Young
Gestamp Severstal Kaluga, LLC	Kaluga	Russia		58.13%	Tooling and parts manufacturing	Ernst & Young
Gestamp Automotive India Private Ltd.	Pune	India		50.00%	Tooling and parts manufacturing	Ernst & Young
Gestamp Pune Automotive, Private Ltd.	Pune	India		100.00%	Tooling and parts manufacturing	Ernst & Young
Gestamp Chattanooga, Uic	Chattanooga	USA		70.00%	Tooling and parts manufacturing	Ernst & Young
Gestamp Holding Rusia, S.L.	Madrid	Spain	25.19%		Portfolio company	Ernst & Young
Gestamp South Carolina, Uic	South Carolina	USA		70.00%	Tooling and parts manufacturing	Ernst & Young
Gestamp Holding China, AB	Lulea	Sweden		68.95%	Portfolio company	Ernst & Young
Gestamp Global Tooling, S.L.	Vizcaya	Spain	99.99%		0.01% Manufacturing of dies	Ernst & Young
Gestamp Tool Hardening, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	Ernst & Young
Gestamp Vendas Novas Lda.	Évora	Portugal			Tooling and parts manufacturing	Ernst & Young
Gestamp Togliatti, Uic	Togliatti	Russia		100.00%	Tooling and parts manufacturing	Ernst & Young
Gestamp Automotive Chennai Private Ltd.	Chennai	India		100.00%	Tooling and parts manufacturing	Ernst & Young
Gestamp Palau, S.A.	Barcelona	Spain		100.00%	Tooling and parts manufacturing	Ernst & Young
Gestamp North Europe Services, S.L.	Vizcaya	Spain	99.97%		0.03% Consultancy services	Ernst & Young
Loire Sociedad Anónima Franco Española	Guipúzcoa	Spain	100.00%		Manufacturing of dies	Ernst & Young
Gestamp Tooling Erandio, S.L.	Guipúzcoa	Spain		100.00%	Portfolio company	Ernst & Young
Diele Die Developments, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	IZE Auditores
Gestamp Louny, S.R.O.	Prague	Czech Republic			Manufacturing of dies	Ernst & Young
Gestamp Auto Components (Shenyang), Co. Ltd.	Shenyang	China		100.00%	Tooling and parts manufacturing	Ernst & Young
Gestamp West Virginia, LLC	Michigan	USA		65.00%	Tooling and parts manufacturing	Ernst & Young
Beçelik Gestamp Sasi, L.S.	Kocaeli	Turkey		70.00%	Tooling and parts manufacturing	Ernst & Young
Gestamp Auto Components (Dongguan), Co. Ltd.	Dongguan	China		50.00%	Tooling and parts manufacturing	Ernst & Young
Gestamp Try Out Services, S.L.	Vizcaya	Spain		65.00%	Tooling and parts manufacturing	Ernst & Young
Gestión Global de Matriceria, S.L.	Vizcaya	Spain	30.00%		Manufacturing of dies	Ernst & Young
Ingeniería y Construcción Matrices, S.A.	Vizcaya	Spain			No activity	Ernst & Young
				30.00%	Manufacturing of dies	Ernst & Young

(A) This company is consolidated under full consolidation method in Gestión Global de Matriceria Subgroup. This Subgroup is accounted for in Gestamp Automoción Group using the equity method.

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2020

December 31, 2020						
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Auditors
						Consolidation method
						Equity method (A)
IXCT, S.A.	Vizcaya	Spain		30.00%	Manufacturing of dies	Equity method (A)
Gestamp Funding Luxembourg, S.A.	Luxembourg	Luxembourg			Portfolio company	Full
Gestamp Puebla II, S.A. de C.V.	Puebla	Mexico	100.00%		Tooling and parts manufacturing	Full
Autotech Engineering Deutschland GmbH	Bielefeld	Germany		70.00%	Research and development	Full
Autotech Engineering R&D UK Limited	Durham	United Kingdom		100.00%	Research and development	Full
Gestamp Holding México, S.L.	Madrid	Spain		69.99%	Portfolio company	Full
Gestamp Holding Argentina, S.L.	Madrid	Spain	10.80%		Portfolio company	Full
Mursolar 21, S.L.	Madrid	Spain		65.00%	Portfolio company	Full
GGM Puebla, S.A. de C.V.	Puebla	Mexico		30.00%	Tooling and parts manufacturing	Equity method (A)
Gestamp Puebla de Servicios Laborales, S.A. de C.V.	Puebla	Mexico		30.00%	Employment services	Equity method (A)
Kunshan Gestool Tooling Manufacturing, Co., Ltd	Kunshan	China		30.00%	Manufacturing of dies	Full
Gestamp Technology Institute, S.L.	Vizcaya	Spain	99.99%		0.01% Education	Full
Gestamp Tooling Engineering Deutschland, GmbH	Braunschweig	Germany		100.00%	Manufacturing of dies	Full
Gestamp Chattanooga II, LLC	Chattanooga	USA		70.00%	Tooling and parts manufacturing	Full
Autotech Engineering R&D USA	Delaware	USA		100.00%	IT, and research and development	Full
Gestamp Auto Components Wuhan, co. Ltd.	Wuhan	China		100.00%	Tooling and parts manufacturing	Full
Çelik Form Gestamp Otomotive, A.S.	Bursa	Turkey			Tooling and parts manufacturing	Full
Gestamp Washenaw, LLC.	Delaware	USA			Tooling and parts manufacturing	Full
Gestamp San Luis Potosí, S.A.P.I. de C.V.	Mexico City	Mexico			Employment services	Full
Gestamp San Luis Potosí Servicios Laborales S.A.P.I. de C.V.	Mexico City	Mexico			Employment services	Full
Gestamp Auto Components (Tianjin) Co., LTD.	Tianjin	China			Tooling and parts manufacturing	Full
Gestamp 2017, S.L.	Madrid	Spain		100.00%	Portfolio company	Full
Autotech Engineering (Shanghai) Co. Ltd.	Shanghai	China			Research and development	Full
Gestamp Hot Stamping Japan K.K.	Tokio	Japan			Tooling and parts manufacturing	Full
Global Laser Akaba, S.L.	Álava	Spain		30.00%	Tooling and parts manufacturing	Full
Gestamp Beyçelik Romania, S.R.L.	Darmaresti	Romania			Tooling and parts manufacturing	Full
Beyçelik Gestamp Teknoloji Kalip A.S.	Bursa	Turkey			Manufacturing of dies	Full
Gestamp Nitra, S.R.O.	Bratislava	Slovakia		100.00%	Manufacturing of dies	Full
Almussafes Mantenimiento de Troqueles, S.L.	Barcelona	Spain			Die maintenance	Full
Gestamp (China) Holding, Co. Ltd	Shanghai	China			Portfolio company	Full
Gestamp Autotech Japan Co., Ltd.	Tokio	Japan			Research and development	Full
Gestamp Sorocaba Industria Autopegas Ltda.	Sorocaba	Brazil			Tooling and parts manufacturing	Full
Tuyauto Gestamp Morocco	Kenitra	Morocco			Tooling and parts manufacturing	Full
Gestamp Auto Components (Beijing) Co., Ltd.	Beijin	China			Tooling and parts manufacturing	Full
Gestamp Mexicana Serv. Lab. II, S.A. de CV	México DF	Mexico			Employment services	Full
Reparaciones Industriales Zaldibar, S.L.	Vizcaya	Spain		0.01%	Industrial equipment services	Full
Autotech Engineering Spain, S.L.	Madrid	Spain			Research and development	Full
Autotech Engineering France S.A.S.	Meudon la Forêt	France			Research and development	Full
Gestamp Auto Components Sales (Tianjin) Co., LTD.	Tianjin	China			Consulting and Post-sales services	Equity method
Gestamp Etem Automotive Bulgaria, S.A.	Sofia	Bulgaria			Industrialization of post-extrusion activities	Full
Etem Gestamp Aluminium Extrusions, S.A.	Sofia	Bulgaria			Tooling and parts manufacturing	Equity method

(A) This company is consolidated under full consolidation method in Gestión Global de Matriceria Subgroup. This Subgroup is accounted for in Gestamp Automoción Group using the equity method.

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2020

December 31, 2020							
Company	Address	Country	Direct shareholding	Indirect shareholding	Activity	Consolidation method	Auditors
Edscha Holding GmbH	Remscheid	Germany		100.00%	Portfolio company	Full	Ernst & Young
Edscha Automotive Hengersberg GmbH	Hengersberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Hauenberg GmbH	Hauenberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering GmbH	Remscheid	Germany		100.00%	Research and development	Full	Ernst & Young
Edscha Hengersberg Real Estate GmbH	Hengersberg	Germany	5.10%	94.90%	Property	Full	N/A
Edscha Hauenberg Real Estate GmbH	Hauenberg	Germany	5.10%	94.90%	Property	Full	N/A
Edscha Automotive Kamenice S.R.O.	Kamenice	Czech Republic		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Hradec S.R.O.	Hradec	Czech Republic		100.00%	Manufacturing of dies	Full	Ernst & Young
Edscha Velky Meder S.R.O.	Velky Meder	Slovakia		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp 2008, S.L	Villalonguéjar (Burgos)	Spain		100.00%	Portfolio company	Full	Ernst & Young
Edscha Burgos, S.A.	Villalonguéjar (Burgos)	Spain		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Santander, S.L	El Astillero (Cantabria)	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Briey S.A.S.	Briey Cedex	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering France S.A.S.	Les Ulis	France		100.00%	Research and development	Full	Ernst & Young
Edscha do Brasil Ltda.	Sorocaba	Brazil		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Edscha Japan Co., Ltd.	Tokio	Japan		100.00%	Sales office	Full	N/A
Jui Li Edscha Body Systems Co., Ltd.	Kaohsiung	Taiwan		60.00%	Tooling and parts manufacturing	Full	Ernst & Young
Jui Li Edscha Holding Co., Ltd.	Aplia	Samoa		60.00%	Portfolio company	Full	N/A
Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	Hainan	China		60.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Technology Co., Ltd.	Shanghai	China		100.00%	Research and development	Full	Shanghai Ruitong Cpa
Shanghai Edscha Machinery Co., Ltd.	Shanghai	China		55.00%	Tooling and parts manufacturing	Full	Ernst & Young
Anhui Edscha Automotive Parts Co Ltda.	Anhui	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Michigan, Inc	Lapeer	USA		100.00%	Tooling and parts manufacturing	Full	N/A
Edscha Togliatti, Jc.	Togliatti	Russia		100.00%	Tooling and parts manufacturing	Full	National Audit Corporation
Edscha Automotive Components Co., Ltda.	Kunshan	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Finance Slovakia S.R.O.	Velky Meder	Slovakia	100.00%		Portfolio company	Full	Ernst & Young
Edscha Kunststofftechnik GmbH	Remscheid	Germany		100.00%	Tooling and parts manufacturing	Full	JKG Treuhand
Edscha Pha, Ltd.	Seul	South Korea		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Apico Automotive Co. Ltd	Pranakorn Sri Ayutthaya	Thailand		50.00%	Parts manufacture research and development	Full	Ernst & Young
Edscha Automotive SLP, S.A.P.I. de C.V.	Mexico City	Mexico		51.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive SIP Servicios laborales, S.A.P.I. de C.V.	Mexico City	Mexico		100.00%	No activity	Full	N/A
Edscha Automotive Components (Chongqing) Co. Ltd.	Chongqing	China		100.00%	Tooling and parts manufacturing	Full	N/A
Edscha Pha Automotive Components (Kunshan) Co., Ltd.	Kunshan	China		50.00%	Parts manufacture	Full	Deloitte
Edscha North America Technologies, LLC.	Delaware	USA		100.00%	Holding/Divisional company	Full	Ernst & Young
Edscha Automotive Components (Shanghai) Co., Ltd	Shanghai	China		55.00%	Tooling and parts manufacturing	Full	N/A
GMF Holding GmbH	Remscheid	Germany		100.00%	Portfolio company	Full	Ernst & Young
Gestamp Metal Forming (Wuhan), Ltd	Wuhan	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Umformtechnik GmbH	Ludwigsfelde	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Automotive Chassis Products Plc.	Newton Aycliffe, Durham	United Kingdom		100.00%	Portfolio company	Full	Ernst & Young
Sofedit, S.A.S	Le Thell sur Huisne	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Prisma, S.A-S	Usine de Messempre	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Tallent, Ltd	Newton Aycliffe, Durham	United Kingdom		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Wroclaw Sp.z.o.o.	Wroclaw	Poland		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Auto components (Chongqing) Co., Ltd.	Chongqing	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

Company	December 31, 2019							Auditors
	Address	Country	Direct share holding	Indirect share holding	Activity	Consolidation method		
Gestamp Automoción, S.A.	Vizcaya	Spain	Parent company		Portfolio company	Full	Ernst & Young	
Gestamp Bizkaia, S.A.	Vizcaya	Spain	85.31%	14.69%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Vigo, S.A.	Pontevedra	Spain	99.99%	0.01%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Cerveira, Lda.	Viana do Castelo	Portugal	42.25%	57.75%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Toledo, S.A.	Toledo	Spain	99.99%	0.01%	Tooling and parts manufacturing	Full	Ernst & Young	
Autotech Engineering S.L.	Vizcaya	Spain	10.00%	90.00%	Research and development	Full	Ernst & Young	
SCI de Tourman en Brie	Tourman	France	0.10%	99.90%	Property	Full	N/A	
Gestamp Solblank Barcelona, S.A.	Barcelona	Spain	5.01%	94.99%	Tailor-welded blanks	Full	Ernst & Young	
Gestamp Palencia, S.A.	Palencia	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Argentina, S.A.	Buenos Aires	Argentina		70.00%	Portfolio company	Full	Ernst & Young	
Gestamp Córdoba, S.A.	Córdoba	Argentina		70.00%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Linares, S.A.	Jaén	Spain	5.02%	94.98%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Servicios, S.A.	Madrid	Spain	100.00%		Business promotion and support	Full	Ernst & Young	
Matricerías Deusto, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	Full	Ernst & Young	
Gestamp Tech S.L.	Palencia	Spain	0.33%	99.67%	No activity	Full	N/A	
Gestamp Brasil Indústria de Autopeças, S.A.	Parana	Brazil		70.00%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Metalbages, S.A.	Barcelona	Spain	100.00%		Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Esmar, S.A.	Barcelona	Spain	0.10%	99.90%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Noury, S.A.S	Tourman	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Aveiro, S.A.	Aveiro	Portugal		100.00%	Tooling and parts manufacturing	Full	Ernst & Young	
Gri we Subgroup	Westerburg	Germany		70.00%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Aguascalientes, S.A.de C.V.	Aguas Calientes	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young	
Mexicana Servicios Laborales, S.A.de C.V.	Aguas Calientes	Mexico		70.00%	Employment services	Full	Ernst & Young	
Gestamp Puebla, S.A. de C.V.	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young	
Gestamp Cartera de México, S.A. de C.V.	Puebla	Mexico		70.00%	Portfolio company	Full	N/A	
Gestamp Mexicana de Serv. Laborales, S.A. de C.V.	Aguas Calientes	Mexico		70.00%	Employment services	Full	Ernst & Young	
Gestamp Ingeniería Europa Sur, S.L.	Barcelona	Spain		100.00%	Service provision	Full	Ernst & Young	

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

Company	December 31, 2019				Activity	Consolidation method	Auditors
	Address	Country	Direct shareholding	Indirect shareholding			
Todlem, S.L.	Barcelona	Spain		58.13%	Portfolio company	Full	Ernst & Young
Gestamp Navarra, S.A.	Navarra	Spain	71.37%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Baires, S.A.	Buenos Aires	Argentina		28.63%	Dies, stamping and parts manufacturing	Full	Ernst & Young
Ingeniería Global IMB, S.A.	Barcelona	Spain		100.00%	Administration services	Full	N/A
Gestamp Aragón, S.A.	Zaragoza	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Abrera, S.A.	Barcelona	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Levante, S.A.	Valencia	Spain	88.50%	11.50%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Solblank Navarra, S.L.	Navarra	Spain		100.00%	Tooling and welding	Full	N/A
MB Aragón P21, S.L.	Barcelona	Spain		100.00%	Tooling and parts manufacturing	Full	N/A
Gestamp Polska, SP. Z.O.O.	Wielkopolska	Poland		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Washington UK Limited	Newcastle	United Kingdom		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Hungaria KFT	Akai	Hungary	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Gestamp North America, INC	Michigan	USA		70.00%	Administration services	Full	Ernst & Young
Gestamp Sweden, AB	Lulea	Sweden	30.03%	69.97%	Portfolio company	Full	Ernst & Young
Gestamp Har dTech, AB	Lulea	Sweden		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Mason, LLC.	Michigan	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Alabama, LLC.	Alabama	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Ronchamp, S.A.S	Ronchamp	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Manufacturing Autochasis, S.L.	Barcelona	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Industrias Tamer, S.A.	Barcelona	Spain		30.00%	Tooling and parts manufacturing	Equity method	Ernst & Young
Gestamp Tooling Services, AIE	Vizcaya	Spain		100.00%	Mould engineering and design	Full	Ernst & Young
Gestamp Auto Components (Kunshan) Co., Ltd	Kunshan	China		68.95%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Kartek Co, Ltd.	Gyeongangnam-Do	South Korea		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beyçelik Gestamp Kallip, A.S.	Bursa	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Toluca SA de CV	Puebla	Mexico		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Servicios Laborales de Toluca SA de CV	Puebla	Mexico		69.93%	Employment services	Full	Ernst & Young
Gestamp Services India Private, Ltd.	Mumbai	India		100.00%	Tooling and parts manufacturing	Full	S.B. Dave & Co.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

Company	Address	Country	December 31, 2019		Activity	Consolidation method	Auditors
			Direct shareholding	Indirect shareholding			
Gestamp Severstal Vsevolozhsk, LLC	Saint Petersburg	Russia		58.13%	Tooling and parts manufacturing	Full	Ernst & Young
Adral, matriceria y pta. a punto, S.L	Vizcaya	Spain		100.00%	Mould manufacturing and tuning	Full	Ernst & Young
Gestamp Severstal Kaluga, LLC	Kaluga	Russia		58.13%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Automotive India Private Ltd.	Pune	India		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Pune Automotive, Private Ltd.	Pune	India		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Chattanooga, LLC	Chattanooga	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Holding Rusia, S.L.	Madrid	Spain	25.19%	52.34%	Portfolio company	Full	Ernst & Young
Gestamp South Carolina, LLC	South Carolina	USA		70.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Holding China, AB	Lulea	Sweden		68.95%	Portfolio company	Full	Ernst & Young
Gestamp Global Tooling, S.L.	Vizcaya	Spain	99.99%	0.01%	Manufacturing of dies	Full	Ernst & Young
Gestamp Tool Hardening, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	Full	Ernst & Young
Gestamp Vendas Novas Lda.	Évora	Portugal		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Togliatti, LLC.	Togliatti	Russia		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Automotive Chennai Private Ltd.	Chennai	India		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Palau, S.A.	Barcelona	Spain		99.97%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp North Europe Services, S.L.	Vizcaya	Spain		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Loire Sociedad Anónima Franco Española	Guijuzcoa	Spain		0.03%	Consultancy services	Full	Ernst & Young
Gestamp Tooling Erandio, S.L.	Guijuzcoa	Spain		100.00%	Manufacturing of dies	Full	Ernst & Young
Diède Die Developments, S.L	Vizcaya	Spain		100.00%	Portfolio company	Full	Ernst & Young
Gestamp Louny, S.R.O.	Prague	Czech Republic		100.00%	Manufacturing of dies	Full	IZE Auditores
Gestamp Autocomponents (Shenyang), Co. Ltd.	Shenyang	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp West Virginia, LLC.	Michigan	USA		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Beyçelik Gestamp Sasi, L.S.	Kocaeli	Turkey		50.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Autocomponents (Dongguan), Co. Ltd.	Dongguan	China		65.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Try Out Services, S.L.	Vizcaya	Spain		100.00%	Manufacturing of dies	Full	Ernst & Young
Gestión Global de Matricería, S.L.	Vizcaya	Spain	30.00%		No activity	Equity method	Ernst & Young
Ingeniería y Construcción Matrices, S.A.	Vizcaya	Spain		30.00%	Manufacturing of dies	Equity method (A)	IZE Auditores

(A) This company is consolidated under full consolidation method in Gestión Global de Matricería Subgroup. This Subgroup is accounted for in Gestamp Automoción Group using the equity method.

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2020

Company	Address	Country	December 31, 2019		Activity	Consolidation method	Auditors
			Direct shareholding	Indirect shareholding			
IXCT, S.A.	Vizcaya	Spain			30.00% Manufacturing of dies	Equity method (A)	IZE Auditores
Gestamp Funding Luxembourg, S.A.	Luxembourg	Luxembourg			Portfolio company	Full	Ernst & Young
Gestamp Puebla II, S.A. de C.V.	Puebla	Mexico	100.00%		70.00% Tooling and parts manufacturing	Full	Ernst & Young
Autotech Engineering Deutschland GmbH	Bielefeld	Germany			100.00% Research and development	Full	Ernst & Young
Autotech Engineering R&D UK Limited	Durham	United Kingdom			100.00% Research and development	Full	Ernst & Young
Gestamp Holding México, S.L.	Madrid	Spain			69.99% Portfolio company	Full	Ernst & Young
Gestamp Holding Argentina, S.L.	Madrid	Spain	10.80%		59.19% Portfolio company	Full	Ernst & Young
Mursolar 21, S.L.	Madrid	Spain			65.00% Portfolio company	Full	Ernst & Young
GGM Puebla, S.A. de C.V.	Puebla	Mexico			30.00% Tooling and parts manufacturing	Equity method (A)	N/A
GGM Puebla de Servicios Laborales, S.A. de C.V.	Puebla	Mexico			30.00% Employment services	Equity method (A)	N/A
Kunshan Gestool Tooling Manufacturing, Co., Ltd	Kunshan	China			30.00% Manufacturing of dies	Equity method (A)	Ernst & Young
Gestamp Technology Institute, S.L	Vizcaya	Spain	99.99%		0.01% Education	Full	Ernst & Young
Gestamp Tooling Engineering Deutschland, GmbH	Braunschweig	Germany			100.00% Manufacturing of dies	Full	N/A
Gestamp Chattanooga II, LLC	Chattanooga	USA			70.00% Tooling and parts manufacturing	Full	N/A
Autotech Engineering R&D USA	Delaware	USA			100.00% IT, and research and development	Full	N/A
Gestamp Autocomponents Wuhan, co. Ltd.	Wuhan	China			Tooling and parts manufacturing	Full	N/A
Çelik Form Gestamp Otomotiv, A.S.	Bursa	Turkey	100.00%		50.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Washtenaw, LLC.	Delaware	USA			70.00% Tooling and parts manufacturing	Full	N/A
Gestamp San Luis Potosí, S.A.P.I. de C.V.	Mexico City	Mexico			70.00% Employment services	Full	N/A
Gestamp San Luis Potosí Servicios Laborales S.A.P.I. de C.V.	Mexico City	Mexico			70.00% Tooling and parts manufacturing	Full	N/A
Gestamp Auto Components (Tianjin) Co., LTD.	Tianjin	China			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp 2017, S.L.	Madrid	Spain	100.00%		Portfolio company	Full	N/A
Autotech Engineering (Shanghai) Co. Ltd.	Shanghai	China			100.00% Research and development	Full	Ernst & Young
Gestamp Hot Stamping Japan K.K.	Tokio	Japan			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Global Laser Araba, S.L.	Alava	Spain	30.00%		Tooling and parts manufacturing	Full	Ernst & Young
MPO Prodivers Resistit, S.R.L.	Darmahnesti	Romania			35.00% Tooling and parts manufacturing	Full	Ernst & Young
Beyselik Gestamp Teknoloji Kalip, A.S.	Bursa	Turkey			50.00% Manufacturing of dies	Full	Ernst & Young
Gestamp Nitra, S.R.O.	Bratislava	Slovakia	100.00%		Tooling and parts manufacturing	Full	Ernst & Young
Almussafes Mantenimiento de Troqueles, S.L.	Barcelona	Spain			100.00% Die maintenance	Full	Ernst & Young
Gestamp (China) Holding, Co. Ltd	Shanghai	China			100.00% Portfolio company	Full	Ernst & Young
Gestamp Sorocaba Industria Autopeças Ltda.	Sorocaba	Brazil			70.00% Tooling and parts manufacturing	Full	Ernst & Young
Tuyauto Gestamp Morocco	Kenitra	Morocco			50.00% Tooling and parts manufacturing	Full	N/A
Gestamp Autocomponents (Beijing) Co., Ltd.	Beijing	China			100.00% Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Mexicana Serv. Lab. II, S.A. de CV	México DF	Mexico			100.00% Industrial equipment services	Full	N/A
Reparaciones Industriales Zaidibar, S.L	Vizcaya	Spain	0.01%		99.99% Employment services	Full	N/A
Autotech Engineering Spain, S.L	Madrid	Spain			100.00% Research and development	Full	Ernst & Young
Autotech Engineering France S.A.S.	Meudon la Forêt	France			100.00% Research and development	Full	N/A
Gestamp Auto Components Sales (Tianjin) Co., LTD.	Tianjin	China			49.00% Consulting and Post-sales services	Equity method	N/A
Gestamp Etem Automotive Bulgaria, S.A.	Sofia	Bulgaria			51.00% Industrialization of post-extrusion activities	Full	N/A
Etem Gestamp Aluminium Extrusions, S.A.	Sofia	Bulgaria			49.00% Aluminium extruded profile manufacturing	Equity method	N/A

(A) This company is consolidated under full consolidation method in Gestión Global de Matriceria Subgroup. This Subgroup is accounted for in Gestamp Automoción Group using the equity method.



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## Notes to the financial statements for the year ended December 31, 2020

		December 31, 2019					
Company	Address	Country	Direct share holding	Indirect share holding	Activity	Consolidation method	Auditors
Edscha Holding GmbH	Reimscheid	Germany		100.00%	Portfolio company	Full	Ernst & Young
Edscha Automotive Hengersberg GmbH	Hengersberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Hauzenberg GmbH	Hauzenberg	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering GmbH	Reimscheid	Germany		100.00%	Research and development	Full	Ernst & Young
Edscha Hengersberg Real Estate GmbH	Hengersberg	Germany	5.10%	94.90%	Property	Full	N/A
Edscha Hauzenberg Real Estate GmbH	Hauzenberg	Germany	5.10%	94.90%	Property	Full	N/A
Edscha Automotive Kamenice S.R.O.	Kamenice	Czech Republic		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Hradec S.R.O.	Hradec	Czech Republic		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Velky Meder S.R.O.	Velky Meder	Slovakia		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp 2008, S.L.	Villalonquejar (Burgos)	Spain		100.00%	Portfolio company	Full	Ernst & Young
Edscha Burgos, S.A.	Villalonquejar (Burgos)	Spain		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Santander, S.L.	El Astillero (Cantabria)	Spain	5.01%	94.99%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Briey S.A.S.	Briey Cedex	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Engineering France S.A.S.	Les Ulis	France		100.00%	Research and development	Full	Ernst & Young
Edscha do Brasil Ltda.	Sorocaba	Brazil		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Edscha Japan Co., Ltd.	Tokio	Japan		100.00%	Sales office	Full	N/A
Jui Li Edscha Body Systems Co., Ltd.	Kaohsiung	Taiwan		60.00%	Tooling and parts manufacturing	Full	Ernst & Young
Jui Li Edscha Holding Co., Ltd.	Apia	Samoa		60.00%	Portfolio company	Full	N/A
Jui Li Edscha Hainan Industry Enterprise Co., Ltd.	Hainan	China		60.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Technology Co., Ltd.	Shanghai	China		100.00%	Research and development	Full	Shanghai Ruitong Cpa
Shanghai Edscha Machinery Co., Ltd.	Shanghai	China		55.00%	Tooling and parts manufacturing	Full	Ernst & Young
Anhui Edscha Automotive Parts Co. Ltda.	Anhui	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive Michigan, Inc	Lapeer	USA		100.00%	Tooling and parts manufacturing	Full	N/A
Edscha Togliatti, Ilc.	Togliatti	Russia		100.00%	Tooling and parts manufacturing	Full	National Audit Corporation
Edscha Automotive Components Co., Ltda.	Kunshan	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Finance Slovakia S.R.O.	Velky Meder	Slovakia	25.00%	75.00%	Portfolio company	Full	Ernst & Young
Edscha Kunststofftechnik GmbH	Reimscheid	Germany		100.00%	Tooling and parts manufacturing	Full	JKG Treuhand
Edscha Pha, Ltd.	Seul	South Korea		50.00%	Parts manufacture research and development	Full	Ernst & Young
Edscha Aapico Automotive Co. Ltd	Pranakorn Sri Ayutthaya	Thailand		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Edscha Automotive SLP, S.A.P.I. de C.V.	Mexico City	Mexico		51.00%	Tooling and parts manufacturing	Full	N/A
Edscha Automotive SLP Servicios Laborales, S.A.P.I. de C.V.	Mexico City	Mexico		100.00%	No activity	Full	N/A
Edscha Automotive Components (Chongqing) Co. Ltd.	Chongqing	China		100.00%	Tooling and parts manufacturing	Full	N/A
Edscha Pha Automotive Components (Kunshan) Co., Ltd.	Kunshan	China		100.00%	Parts manufacturing	Full	Deloitte
Edscha North America Technologies, Ilc.	Delaware	USA		100.00%	Holding/Divisional company	Full	Ernst & Young
Edscha Automotive Components (Shanghai) Co., Ltd	Shanghai	China		100.00%	Tooling and parts manufacturing	Full	N/A
GMF Holding GmbH	Reimscheid	Germany		100.00%	Portfolio company	Full	Ernst & Young
Gestamp Metal Forming (Wuhan), Ltd	Wuhan	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Umformtechnik GmbH	Ludwigfelde	Germany		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Automotive Chassis Products Plc.	Newton Aycliffe, Durham	United Kingdom		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Sofedit, S.A.S	Le Thell sur Huisne	France		100.00%	Portfolio company	Full	Ernst & Young
Gestamp Prisma, S.A.S	Usine de Messempré	France		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Tallent, Ltd	Newton Aycliffe, Durham	United Kingdom		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Wroclaw Sp.z.o.o.	Wroclaw	Poland		100.00%	Tooling and parts manufacturing	Full	Ernst & Young
Gestamp Auto components (Chongqing) Co., Ltd.	Chongqing	China		100.00%	Tooling and parts manufacturing	Full	Ernst & Young

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

The Company has issued the pertinent notices to its subsidiaries under Article 155 of the Corporate Enterprises Act and there is no obligation that could give rise to contingencies with respect to those companies.

## 9. FINANCIAL ASSETS

The breakdown of financial assets at December 31, except for the equity investments in group companies, jointly controlled entities and associates (Note 8), is as follows:

(€)	Loans, derivatives and other financial assets		Total	
	2020	2019	2020	2019
<b>Non-current financial assets</b>				
Loans and receivables	895,922,427	903,154,977	895,922,427	903,154,977
Derivatives	-	1,197,201	-	1,197,201
Debt Securities	-	34,347,500	-	34,347,500
Credits to third parties	35,380,935	32,116,327	35,380,935	32,116,327
Other financial assets	1,200	1,200	1,200	1,200
	931,304,562	970,817,205	931,304,562	970,817,205
<b>Current financial assets</b>				
Held-to-maturity investments	-	-	-	-
Loans and receivables	1,444,451,383	2,743,798,881	1,444,451,383	2,743,798,881
	1,444,451,383	2,743,798,881	1,444,451,383	2,743,798,881
<b>Total</b>	<b>2,375,755,945</b>	<b>3,714,616,086</b>	<b>2,375,755,945</b>	<b>3,714,616,086</b>

These amounts are disclosed in the balance sheet as follows:

(€)	Loans, derivatives and other financial assets		Total	
	2020	2019	2020	2019
<b>Non-current financial assets</b>				
<b>Investments in group companies and associates</b>				
Loans to companies (Note 19.1)	895,922,427	903,154,977	895,922,427	903,154,977
Debt Securities	-	34,347,500	-	34,347,500
<b>Non-current investments</b>				
Credits to third parties	35,380,935	32,116,327	35,380,935	32,116,327
Derivatives (Note 14.2)	-	1,197,201	-	1,197,201
Other financial assets	1,200	1,200	1,200	1,200
	931,304,562	970,817,205	931,304,562	970,817,205
<b>Current financial assets</b>				
<b>Current investments in group companies and associates</b>				
Loans to companies (Note 19.2)	415,129,081	632,864,055	-	632,864,055
Other financial assets (Note 19)	998,687,302	2,110,934,826	-	2,110,934,826
Debt Securities	30,635,000	-	-	-
	1,444,451,383	2,743,798,881	-	2,743,798,881
	<b>2,375,755,945</b>	<b>3,714,616,086</b>	<b>931,304,562</b>	<b>3,714,616,086</b>

“Credits to third parties” relates mainly to loans granted to Group employees for the purchase of shares of the Parent from Acek Desarrollo y Gestión Industrial, S.L., for € 34,384 thousand. The amount of interest accrued amounts € 997 thousand. These loans are secured with a pledge on the shares. The main financial terms of the loans are interest at the official interest rate prevailing for each calendar year and duration of six years from signing (Note 19.2).

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

The fair value of the shares sold by Acek Desarrollo y Gestión Industrial, S.L. to the employees is calculated using the operation performed during the first quarter of 2017 between the significant shareholders.

The following tables provide a breakdown by maturity of the assets in 2020 and 2019:

(€)	2020						Total, non-current
	Total current	1-2 years	2-3 years	3-4 years	4-5 years	Subsequent	
Loans to companies (Note 19.2)	415,129,081	149,205,198	368,434,465	52,612,900	-	325,669,864	895,922,427
Other financial assets (Note 19)	998,687,302	-	-	-	-	1,200	1,200
Credits to third parties	-	35,380,935	-	-	-	-	35,380,935
Short-term financial investments	-	-	-	-	-	-	-
Debt Securities	30,635,000	-	-	-	-	-	-
	<b>1,444,451,383</b>	<b>184,586,133</b>	<b>368,434,465</b>	<b>52,612,900</b>	<b>-</b>	<b>325,671,064</b>	<b>931,304,562</b>

(€)	2019						Total, non-current
	Total current	1-2 years	2-3 years	3-4 years	4-5 years	Subsequent	
Loans to companies (Note 19.2)	632,864,055	15,319,800	149,205,198	350,797,215	62,162,900	325,669,864	903,154,977
Other financial assets (Note 19)	2,110,934,826	-	-	-	-	1,200	1,200
Credits to third parties	-	-	32,116,327	-	-	-	32,116,327
Short-term financial investments	-	-	-	-	-	-	-
Debt Securities	-	34,347,500	-	-	-	-	34,347,500
	<b>2,743,798,881</b>	<b>49,667,300</b>	<b>181,321,525</b>	<b>350,797,215</b>	<b>62,162,900</b>	<b>325,671,064</b>	<b>969,620,004</b>

#### 9.1 Debt securities

“Debt securities” relates to the subscription by the Company on March 10, 2016 of 2,750 bonds with a nominal value of 1.000.000 Indian rupees per bond issued by Group Company Gestamp Automotive Chennai Private Limited. All the bonds mature on April 15, 2021, and carry an 11.5% coupon, which is paid annually. The bonds are admitted for trading on the SEBI (Securities and Exchange Board of India). The amount of accrued interest at the closing date amounts to € 2,857,029 (3,203,257 in 2018) and is recognized under “Current investments in group companies and associates.”

#### 10. CASH AND CASH EQUIVALENTS

The breakdown of “Cash and cash equivalents” at December 31 is as follows:

(€)	2020	2019
Cash	676	8,638
Demand current accounts	1,447,726,554	301,654,820
Other equivalent liquid assets	284,880,427	-
	<b>1,732,607,657</b>	<b>301,663,458</b>

“Other equivalent liquid assets” are referred to bank deposits contracted by the Company with maturity in less of three months.

#### 11. EQUITY – CAPITAL AND RESERVES

##### 11.1 Registered capital

At December 31, 2020, the Company's capital consisted of 575,514,360 indivisible and accumulable registered shares (2019: 575,514,360 shares, par value of € 0.50 each) with a par value of € 0.50 each. That constitutes a social capital that amounts € 287,757,180. All the shares are of the same class and confer the same rights. 30.21% of them are trading shares. All of them are fully subscribed and paid.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

Shareholders at December 31 are as follows:

Shareholder	2020	2019
Acek Desarrollo y Gestión Industrial S.L.	22.76%	19.69%
Gestamp 2020, S.L.	50.10%	50.10%
Stock market (*)	27.07%	30.09%
Autocartera	0.07%	0.12%
	<b>100.00%</b>	<b>100.00%</b>

(\*) Includes actions of managers and employees of the group.

Acek Desarrollo y Gestión Industrial, S.L., held 75% of the capital of Gestamp 2020, S.L., so its total (direct and indirect) share in the Parent Company is 60.34%.

#### Movements - 2020

In February, March, April, August and September 2020, Acek Desarrollo y Gestión Industrial, S.L., proceeded to the purchase of 17,675,835 shares, equivalent to a 3.07% stake in it, to the stock market.

#### Movements – 2019

There were no movements in 2019.

#### 11.1.1 Treasury shares.

At July 27<sup>th</sup>, 2018 the Company signed a liquidity contract with JB Capital Markets, S.V., S.A.U., adapted to the provided in the newsletter 1/2017 of April 26 of the CNMV.

The context of this contract is the Spanish Stock Market.

The contract establishes the conditions in which the financial intermediary will operate at the expense of the issuer, by purchasing or selling its interim shares, with the only objective of encourage the liquidity and consistency of its quote and will have a duration of 12 months that, will be tacitly renewed for the same period, unless otherwise indicated of the parties.

The amount designated to the cash account associated to the contract amounts € 9,000 thousand.

At December 31<sup>st</sup>, 2020 Gestamp Automoción, S.A. has own shares, as detailed in the following table:

Number of shares	Shares in treasury at December 31, 2020		Market Value (€)	%
	Acquisition	Euros per share Share prices		
380,048	3.55	3.946	1,499,669	0.07%

The movements of the own shares in 2020 and 2019 are detailed in the following table:

<b>Shares in treasury at December 31, 2019</b>		<b>688,549</b>
Acquisitions		12,011,344
Disposals		12,319,845
<b>Shares in treasury at December 31, 2020</b>		<b>380,048</b>
<b>Shares in treasury at December 31, 2018</b>		<b>1,078,834</b>
Acquisitions		11,706,626
Disposals		12,096,911
<b>Shares in treasury at December 31, 2019</b>		<b>688,549</b>

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

#### Acquisitions:

The amount of the acquisitions of own shares in 2020 amounts to € 32,885 thousand.

#### Disposals:

In 2020 the disposals of own shares amount to € 34,408 thousand.

The selling price of the interim shares detailed in the previous table amounts €3 3,758 thousand, generating a negative result of € 650 thousand (€ 874 thousand in 2019). The net result of € 650 thousand is registered in the section "Distributable Reserves" (note 11.3).

### 11.2 Share premium

At December 31, 2020 and 2019, the Company recognized a share premium amounting to € 61.591.287. The share premium account is freely distributable, subject to the limitations provided for in the Capital Enterprises Act (Note 3.1).

### 11.3 Reserves

Details and movements of the different items of "Reserves" are as follows:

#### 2020

(€)	Opening balance	Distribution of 2019 result	Capital reductions	Distribution of dividends	Transactions with own shares or participations	Closing balance
Legal reserve	57,551,437	-	-	-	-	57,551,437
Reserves for adaptation to the Spanish General Chart of Accounts	75,488,583	-	-	-	-	75,488,583
Other special reserves	68,593,033	-	-	-	-	68,593,033
Voluntary reserves	181,953,629	123,099,269	-	-	(650,308)	304,402,590
	<b>383,586,682</b>	<b>123,099,269</b>	-	-	<b>(650,308)</b>	<b>506,035,643</b>

#### 2019

(€)	Opening balance	Distribution of 2018 result	Capital reductions	Distribution of dividends	Transactions with own shares or participations	Closing balance
Legal reserve	57,551,437	-	-	-	-	57,551,437
Reserves for adaptation to the Spanish General Chart of Accounts	75,488,583	-	-	-	-	75,488,583
Other special reserves	68,593,033	-	-	-	-	68,593,033
Voluntary reserves	130,951,885	92,105,629	-	(40,229,458)	(874,427)	181,953,629
	<b>332,584,938</b>	<b>92,105,629</b>	-	<b>(40,229,458)</b>	<b>(874,427)</b>	<b>383,586,682</b>

"Voluntary reserves" includes €6 50,308, from the own shares transactions.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

“Other special reserves” includes the following concepts:

- On September 1, 2010, the Company contributed its stakes in Gestamp Araluce y Matricerías Deusto, with a carrying amount of €21.197.962, to acquire 60% of Gestamp Global Tooling, S.L. The Company measured this stake at the carrying amount of the assets and liabilities given in the Gestamp Automoción Group's consolidated financial statements at the date of the transaction. The difference between the carrying amount and the fair value of the assets and liabilities given in the Gestamp Automoción Group's consolidated financial statements was recognized, net, in “Other special reserves” for €11,484,761.
- On November 19, 2010, the Company participated in the capital increase carried out by Gestamp Servicios, contributing its shares of Gestamp Paraná, with a carrying amount of €17.700.004. The Company measured the stake at the carrying amount of the assets and liabilities given in the Gestamp Automoción Group's consolidated financial statements at the date of the transaction. The difference between the carrying amount and the fair value of the assets and liabilities given in the Gestamp Automoción Group's consolidated financial statements was recognized, net, in “Other special reserves” for €52,171,174.

In addition, “Other special reserves” includes the goodwill reserve of €4,455,425. This reserve is available because of the goodwill is fully amortized.

The total amount of dividends paid by the Company in 2020 is 31,612 thousand euros. This amounts corresponds to the interim dividend from the previous year, paid on January 14, 2020.

In accordance with the Capital Enterprises Act, until the balance of the legal reserve is equivalent to at least 20% of share capital, it cannot be distributed to shareholders and can only be used to offset losses if no other reserves are available. This reserve can be used to increase share capital by the amount exceeding 10% of the increased capital amount (Note 3.1).

In 2020 no result of the year has been destined to legal reserve, due to with this percentage is reached the 20% of the registered capital of the Company.

## 12. EQUITY – VALUATION ADJUSTMENTS

Details and movements in “Valuation adjustments” are as follows:

(€)	Opening balance	Movements, net	Closing balance
<b>2020</b>			
Cash flow hedges	(6,361,650)	5,461,730	(899,920)
	<b>(6,361,650)</b>	<b>5,461,730</b>	<b>(899,920)</b>
<b>2019</b>			
Cash flow hedges	(6,242,313)	(119,337)	(6,361,650)
	<b>(6,242,313)</b>	<b>(119,337)</b>	<b>(6,361,650)</b>

The breakdown of net movements in 2020 and 2019 is shown in the statement of changes in equity, which forms an integral part of the financial statements.

The differences in this section reflect the change in the value of the cash flow hedges explained in Note 14.2.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

#### 13. PROVISIONS AND CONTINGENCIES

The non-current provision mainly reflects the obligations assumed by the Company, as parent of the Group, related to certain contingencies arising from possible interpretations of legal requirements of past events at subsidiaries, the settlement of which is expected to result in an outflow of resources and the amount of which can be measured reliably.

#### 14. FINANCIAL LIABILITIES

The breakdown of "Financial liabilities" at December 31, is as follows:

(Euros)	Debt with financial institutions		Derivatives and other		Total	
	2020	2019	2020	2019	2020	2019
<b>Non-current financial liabilities</b>						
Debts and payables	1,886,210,214	1,475,666,008	519,612,338	517,015,054	2,405,822,552	1,992,681,062
Debentures and other marketable securities	-	-	564,386,291	627,421,041	564,386,291	627,421,041
Derivatives	-	-	39,772,166	54,090,836	39,772,166	54,090,836
	<b>1,886,210,214</b>	<b>1,475,666,008</b>	<b>1,123,770,795</b>	<b>1,198,526,931</b>	<b>3,009,981,009</b>	<b>2,674,192,939</b>
<b>Current financial liabilities</b>						
Debts and payables	497,007,508	69,147,494	1,407,271,925	1,256,772,676	1,904,279,433	1,325,920,170
	<b>497,007,508</b>	<b>69,147,494</b>	<b>1,407,271,925</b>	<b>1,256,772,676</b>	<b>1,904,279,433</b>	<b>1,325,920,170</b>
	<b>2,383,217,722</b>	<b>1,544,813,502</b>	<b>2,531,042,720</b>	<b>2,455,299,607</b>	<b>4,914,260,442</b>	<b>4,000,113,109</b>

These amounts are disclosed in the balance sheet as follows:

(Euros)	Debt with financial institutions		Derivatives and other		Total	
	2020	2019	2020	2019	2020	2019
<b>Non-current financial liabilities:</b>						
Non-current payables	1,886,210,214	1,475,666,008	39,772,166	54,090,836	1,925,982,380	1,529,756,844
Obligations and other negotiable securities	-	-	564,386,291	627,421,041	564,386,291	627,421,041
Group companies and associates, non-current (Note 19)	-	-	519,612,338	517,015,054	519,612,338	517,015,054
	<b>1,886,210,214</b>	<b>1,475,666,008</b>	<b>1,123,770,795</b>	<b>1,198,526,931</b>	<b>3,009,981,009</b>	<b>2,674,192,939</b>
<b>Current financial liabilities</b>						
Current:						
Loans and debts with financial institutions	497,007,508	69,147,494	-	-	497,007,508	69,147,494
Other financial liabilities	-	-	29,828	32,516,786	29,828	32,516,786
Group companies and associates, current (Note 19)	-	-	1,405,365,881	1,221,985,948	1,405,365,881	1,221,985,948
Trade and other payables	-	-	1,876,216	2,269,942	1,876,216	2,269,942
	<b>497,007,508</b>	<b>69,147,494</b>	<b>1,407,271,925</b>	<b>1,256,772,676</b>	<b>1,904,279,433</b>	<b>1,325,920,170</b>
	<b>2,383,217,722</b>	<b>1,544,813,502</b>	<b>2,531,042,720</b>	<b>2,455,299,607</b>	<b>4,914,260,442</b>	<b>4,000,113,109</b>

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

#### 14.1 Debt with financial institutions

The breakdown of “Debt with financial institutions” at December 31 is as follows:

(€)	2020	2019
Non-current		
Loans and debts with financial institutions	1,886,210,214	1,475,666,008
Debentures and other marketable securities	564,386,291	627,421,041
	<b>2,450,596,505</b>	<b>2,103,087,049</b>
Current		
Loans and debts with financial institutions	488,908,102	63,121,097
Accrued interest payable	8,099,406	6,026,397
	<b>497,007,508</b>	<b>69,147,494</b>
	<b>2,947,604,013</b>	<b>2,172,234,543</b>

#### Loans and debts with financial institutions

The maturity schedule of the main loans and debts with financial institutions at December 31, 2020, is as follows:

Loans	Total, current	1 - 2 years	2 - 3 years	3-4 years	4-5 years	subsequent years	Total, non-current
Syndicated	-	-	918,347,978	-	-	-	918,347,978
Deferred expenses (Syndicated)	(2,032,637)	(2,066,292)	(754,973)	-	-	-	(2,821,265)
Revolving Facility Commitment	325,000,000	-	-	-	-	-	-
Financial loans	118,494,457	226,282,536	410,579,293	78,839,569	29,257,077	225,000,000	969,958,475
Deferred expenses (Financial loans)	(711,204)	52,702	149,817	163,993	153,136	234,163	753,811
Bonds and debentures	50,000,000	25,000,000	13,000,000	49,180,000	-	483,000,000	570,180,000
Deferred expenses (bonus)	(1,842,514)	(1,349,872)	(1,330,366)	(1,333,550)	(1,331,491)	(477,215)	(5,822,494)
Interest payable	8,099,406	-	-	-	-	-	-
	<b>497,007,508</b>	<b>247,919,074</b>	<b>1,339,991,749</b>	<b>126,850,012</b>	<b>28,078,722</b>	<b>707,756,948</b>	<b>2,450,596,505</b>

The maturity schedule of the main loans and debts with financial institutions at December 31, 2019, is as follows:

Loans	Total, current	1 - 2 years	2 - 3 years	3-4 years	4-5 years	subsequent years	Total, non-current
Syndicated	-	-	528,533,172	323,939,688	-	-	852,472,860
Deferred expenses (Syndicated)	(1,568,718)	(1,619,541)	(1,012,326)	(199,531)	-	-	(2,831,398)
Financial loans	53,000,000	89,666,667	199,853,842	279,235,859	47,066,142	10,202,036	626,024,546
Deferred expenses (Financial loans)	-	50,000,000	-	22,000,000	79,905,500	483,000,000	634,905,500
Bonds and debentures	(1,690,115)	(1,631,131)	(1,348,055)	(1,350,790)	(1,346,873)	(1,807,610)	(7,484,459)
Deferred expenses (bonus)	13,379,930	-	-	-	-	-	-
Interest payable	6,026,397	-	-	-	-	-	-
	<b>69,147,494</b>	<b>136,415,995</b>	<b>726,026,633</b>	<b>623,625,226</b>	<b>125,624,769</b>	<b>491,394,426</b>	<b>2,103,087,049</b>

The average interest accrued on these loans in 2020 ranged between 0.60% and 2% (2019: between 0.30% and 4.226%). The price of the bond, throughout 2020, ranged between 81.06% and 101.69%.

At December 31, 2020, the Company had arranged credit facilities with a number of banks for a total of € 503,100,000 (2019: € 585,100,000). There is no amounts drawn down for the credit facilities at December 31, 2020 (2019: € 13,379,930).



## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

#### **2013 Syndicated loan**

On April 19, 2013 Gestamp Automoción, S.A. signed a syndicated loan with a group of banks for an initial total amount of 850 million euros distributed in two tranches, the first tranche (loan A1) amounting to €570.000 thousand and the second tranche (Revolving Credit Facility) amounting to €280.000 thousand than has not been used neither at December 31, 2017, nor December 31, 2016.

On May 20, 2016 Gestamp Automoción, S.A. signed an agreement for modifying the syndicated loan from April 2013. There are modifications to the amount granted (increase of 340 million euros, tranche A2) and to the covenants.

On July 25, 2017, the Company signed a new agreement for modifying the syndicated loan agreement from April 2013. This new agreement modifies interest rates and payment dates. The maturity date of this contract is established on July 15, 2022.

On May 11, 2018, the Company signed a new agreement for modifying the syndicated loan contract from April 2013. This new agreement modifies some contractual clauses but not the economic terms, maturities, or provisions, allowing the distribution of interim dividends.

On February 25, 2019, the Company signed a new agreement for modifying the syndicated loan. This new agreement modifies the maturities. The maturities initially set in 2020 and 2021 were delayed to April 30, 2023, amounting to € 324 million. The first Tranche (Tranche A1) comes from the initial operation, while the second (Tranche A2) is the result of the increase carried out in 2016, so the treatment of each of them has been carried out separately because the initial IRR of each operation is different.

On January 23, 2020 Gestamp Automoción, S.A. signed an agreement modifying the syndicated loan. There are modifications on maturities, changing the final maturity for the entire amount to April 30<sup>th</sup>, 2023.

After the realization of the related required analyses, the transaction has been considered as a syndicated loan refinancing, since there were no substantial changes in the debt.

The nominal amount drawn down at December 31, 2020 comes to €918.348 thousands (€852.473 thousand at December 31, 2019), everything with long term maturity.

Gestamp Automoción, S.A. has agreed to comply with certain financial covenants based on its Consolidated Financial Statements throughout the duration of the loan. These covenants are:

- “Net debt/EBITDA” below 3,50x
- “EBITDA/Financial expense” above 4,00x

On June 3, 2020, an agreement was signed to amend the agreement that include obligation to comply with certain financial ratios in order to adapt certain clauses of this agreement to the situation arising from COVID-19. These adaptations include a liquidity ratio of at least 200 million euros up to and including 30 June 2021, which replaces the requirement to comply with the aforementioned financial ratios.

Failure to comply with these ratios, would be cause for early maturity of the financing at the request of the bank syndicate, with a period of 20 working days to remedy the breach thereof. At December 31, 2019, the ratios were within the previous limits (EBITDA / Financial expenses ratio was 7.67, while the Net Financial Debt / EBITDA ratio was 2.44). The calculation of the ratios must be done according to the accounting standards in force at the time of signing the initial contract (April 19, 2013) and this means that the impacts due to the application in the years 2020 and 2019 of IFRS 9, 15 and 16, have been reversed.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

Additionally, there is a limitation on the distribution of dividends, whereby the dividend to be distributed in each year cannot exceed 50% of the profit for the consolidated year. In the agreement to modify the syndicated loan contract signed on June 3, 2020, it has been agreed to prohibit the payment of dividends until June 30, 2021 inclusive.

Certain Group Gestamp Automoción companies, which together represent a significant portion of total consolidated assets, revenue and EBITDA, act as joint guarantors of the above mentioned syndicated loan. These companies are:

Gestamp Navarra, S.A	Gestamp Noury, S.A.S.
Edscha Automotive Kamenice, S.R.O.	Gestamp Palencia, S.A.
Edscha Engineering, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Briey, S.A.S.	Gestamp Cerveira, Ltda.
Edscha Engineering France, S.A.S.	Gestamp Ronchamp, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Washington UK, Limited
Edscha Hengersberg Real Estate, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Automotive Hengersberg, GmbH	Gestamp Vigo, S.A.
Edscha Holding, GmbH	Gestamp Umformtechnik, GmbH
Edscha Hradec, S.r.o.	Subgrupo Griwe
Edscha Velky Meder, S.r.o.	Ingeniería Global MB, S.A.
Gestamp Bizkaia, S.A.	Loire S.A. Franco Española
Edscha Santander, S.L.	Gestamp Abrera, S.A.
Gestamp Automoción, S.A.	Gestamp Aragón, S.A.
Gestamp Aveiro, S.A.	Gestamp Metalbages, S.A.
Gestamp HardTech, AB	Gestamp Prisma, S.A.S.
Gestamp Hungaria, KFT	SCI de Tournan en Brie
Gestamp Linares, S.A.	Gestamp Solblank Barcelona, S.A.
Gestamp Louny, S.r.o.	Gestamp Tallent Limited
Gestamp Esmar, S.A.	Gestamp Sweden, AB
Gestamp Wroclaw, Sp. Z.o.o.	Edscha Burgos, S.A.
Sofedit, S.A.S.	Gestamp Levante, S.A.
Gestamp Toledo, S.A	GMF Holding GmbH
Gestamp Funding Luxembourg, S.A	Gestamp Global Tooling S.L.

Additionally, the Group companies Gestamp Metalbages, S.A., Gestamp Bizkaia, S.A., Gestamp Vigo, S.A., Gestamp Palencia, S.A. Gestamp Servicios, S.A. and Gestamp Toledo, S.A. have shares pledge.

On April 27<sup>th</sup> 2020, the Company has drawn daown € 325,000,000 from the Revolving Facility Commiment 2020. On January 27<sup>th</sup> 2021, the Company has cancelled the full amount drown. Interests are payable semi-annually and at maturity.

#### **May 2013 and May 2016 bond**

In May 2013, the Group completed a bond issue through subsidiary Gestamp Funding Luxembourg, S.A., which belongs to the Western Europe segment, in two tranches. The first consisted of €500 million of 5,875% bonds and the second of US\$350 million of 5,625% bonds. With the same date, Gestamp Automoción, S.A., signed with Gestamp Funding Luxembourg, a loan with the same terms that the mentioned bond.

The bonds have an initial maturity of May 31, 2020, with interest payable every six months (in November and May).

The Group bought back part of the bonds issued in September and October of 2015, for total amounts of US\$16,702 thousand and €5,500 thousand.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

On May 11, 2016, it carried out another issue through subsidiary Gestamp Funding Luxembourg, S.A. of €500 million worth of 3,5% bonds, using the proceeds to cancel in full the euro tranche of the previous May 2013 bond issue and pay the interest accrued up to that date. With the same date, Gestamp Automoción, S.A., cancelled the previous loan with Gestamp Funding Luxembourg, S.A., by the signe of a new loan contract with the same terms of the new bond issue.

After conducting the required analysis, it considered the transaction to be a bond refinancing, since there was not a substantial change in terms of the debt.

In addition, with the drawdown of tranche A2 of the new syndicated facility of €340 million on May 20 (see section I), the Group canceled, on June 27, 2016, the entire US dollar tranche of the previous bond issued in May 2013 and paid the interest accrued up to that date.

After conducting the required analysis, it considered this to be a new debt. Therefore, it recognized a finance cost of €9.8 million in the income statement.

The new bond issue has an initial maturity of May 15, 2023, with interest payable every six months (in November and May).

The amortized cost of the bond issued in May 2016, at December 31, 2020, amounted to €490 million. The amortized cost of the bond issued in May 2016, at December 31, 2019, amounted to €486 million.

This debt of the bond issue is clasificated as a payable to Group companies and Associates, since the issuer was Gestamp Funding Luxembourg that at the time of the reception of the funds, formalized a loan with Gestamp Automoción (see note 19.1).

Certain Group companies, which represent a significant share of consolidated total assets, consolidated revenue and consolidated EBITDA, are joint and several guarantors of these bonds.

Gestamp Navarra, S.A.	Gestamp Noury, S.A.S.
Edscha Automotive Kamenice, S.R.O.	Gestamp Palencia, S.A.
Edscha Engineering, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Briey, S.A.S.	Gestamp Cerveira, Ltda.
Edscha Engineering France, S.A.S.	Gestamp Ronchamp, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Washington UK, Limited
Edscha Hengersberg Real Estate, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Automotive Hengersberg, GmbH	Gestamp Vigo, S.A.
Edscha Holding, GmbH	Gestamp Umformtechnik, GmbH
Edscha Hradec, S.r.o.	Subgrupo Griwe
Edscha Velky Meder, S.r.o.	Ingeniería Global MB, S.A.
Gestamp Bizkaia, S.A.	Loire S.A. Franco Española
Edscha Santander, S.A.	Gestamp Abrera, S.A.
Gestamp Aveiro, S.A.	Gestamp Aragón, S.A.
Gestamp HardTech, AB	Gestamp Metalbages, S.A.
Gestamp Hungaria, KFT	Gestamp Prisma, S.A.S.
Gestamp Linares, S.A.	SCI de Tournan en Brie
Gestamp Louny, S.r.o.	Gestamp Solblank Barcelona, S.A.
Gestamp Esmar, S.A.	Gestamp Tallent Limited
Gestamp Wroclaw, Sp. Z.o.o.	Gestamp Sweden, AB
Sofedit, S.A.S.	Edscha Burgos, S.A.
Gestamp Toledo, S.A.	Gestamp Levante, S.A.

### **European Investment Bank 2016**

On June 15, 2016, the Company arranged finance with the European Investment Bank for €160 million.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

This loan is for seven years and matures on June 22, 2023. The Parent undertook to comply with certain financial covenants during the life of the loan related to its consolidated financial statements. These covenants are as follows:

- An “EBITDA/finance expenses” ratio over 4.00.
- A “Net financial debt/EBITDA” ratio below 3.50.

On July 27, 2020, an agreement was signed to amend the agreement that include obligation to comply with certain financial ratios in order to adapt certain clauses of this agreement to the situation arising from COVID-19. These adaptations include a liquidity ratio of at least 200 million euros up to and including 30 June 2021, which replaces the requirement to comply with the aforementioned financial ratios.

Failure to comply with these ratios would be cause for early maturity of the financing at the request of the lender, with a period of 20 working days to remedy the breach thereof. At December 31st, 2019, the ratios were within the previous limits (EBITDA / Financial expenses ratio was 7.67, while the Net Financial Debt / EBITDA ratio was 2.44). The calculation of these financial ratios must be carried out excluding the impacts derived from changes in accounting regulations after December 31, 2018.

In addition, there is a limitation on the distribution of dividends, whereby the dividend to be distributed each year may not exceed 50% of consolidated profit for the year. In the agreement to modify the loan contract, it was agreed that no dividend payment would be made until June 30, 2021 inclusive.

The outstanding amount of the loan is informed in the long term, amounting to € 160 million (€ 160 million at December 31, 2019).

Certain related parties, which combined represent a significant share of consolidated total assets, consolidated revenue and consolidated EBITDA, are joint and several guarantors of this loan.

Gestamp Navarra, S.A.	Gestamp Noury, S.A.S.
Edscha Automotive Kamenice, S.R.O.	Gestamp Palencia, S.A.
Edscha Engineering, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Briey, S.A.S.	Gestamp Cerveira, Ltda.
Edscha Engineering France, S.A.S.	Gestamp Ronchamp, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Washington UK, Limited
Edscha Hengersberg Real Estate, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Automotive Hengersberg, GmbH	Gestamp Vigo, S.A.
Edscha Holding, GmbH	Gestamp Umformtechnik, GmbH
Edscha Hradec, S.r.o.	Subgrupo Griwe
Edscha Velky Meder, S.r.o.	Ingeniería Global MB, S.A.
Gestamp Bizkaia, S.A.	Loire S.A. Franco Española
Sofedit, S.A.S.	Gestamp Abrera, S.A.
Gestamp Automoción S.A	Gestamp Aragón, S.A.
Gestamp Aveiro, S.A.	Gestamp Metalbages, S.A.
Gestamp HardTech, AB	Gestamp Prisma, S.A.S.
Gestamp Hungaria, KFT	SCI de Tournan en Brie
Gestamp Linares, S.A.	Gestamp Solblank Barcelona, S.A.
Gestamp Louny, S.r.o.	Gestamp Tallent Limited
Gestamp Esmar, S.A.	Gestamp Sweden, AB
Gestamp Wroclaw, Sp. Z.o.o.	Edscha Burgos, S.A
Sofedit, S.A.S	Gestamp Levante, S.A
Gestamp Toledo, S.A	Gestamp Funding Luxembourg, S.A
Edscha Santander, S.A	GMF Holding GmbH
Gestamp Global Tooling, S.L.	

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

#### **March 2017 loan**

On March 23, 2017 the Company arranged a loan for an initial amount of €60 million maturing on March 23, 2022. The loan has been partially repaid for €10 million in 2018, being the outstanding principal at December 31, 2020 of €50 million (€50 million at December 31, 2019). 10 million are in the long term, maturing March 23, 2022 and 40 million in the short term, maturing in 2021 (At December 31, 2019 the entire amount was in the long term). Interest is payable semiannually.

On March 24, 2017 the Company arranged a loan for an initial amount of €100 million maturing on March 24, 2021. The loan has been partially repaid for €66.6 million in 2019 and 2020, being the outstanding principal at December 31, 2020 of €33.3 million. This amount is in the short term (€ 33.3 million in the long term, at December 31, 2019). Interest is payable monthly.

#### **April 2017 loan**

On April 12, 2017 the Company arranged a loan for an initial amount of €100 million maturing on April 30, 2022. The loan has been partially repaid for €30 million in 2018 and 19.99 million in 2019, being the outstanding principal at December 31, 2020 of €50 million (€50 million at December 31, 2019). Interest is payable quarterly.

#### **May 2017 loan**

On May 10, 2017 the Company arranged a loan for an initial amount of €50 million maturing on March 31, 2020. The loan has been fully repaid in 2019. Interest was payable quarterly.

On May 29, 2017 the Company arranged a loan for an initial amount of €100 million maturing on June 30, 2021. The loan has been fully repaid in 2019. Interest was payable semiannually.

#### **June 2017 loan**

On June 26, 2017, the Company arranged a loan for the amount of € 45 million maturing on June 19, 2022. The outstanding amount of this loan is recorded as long-term, amounting to 45 million euros at December 31, 2020 (€ 45 million at December 31, 2019). Interest is payable quarterly.

The Parent undertook to comply with certain financial covenants during the life of the loan related to its consolidated financial statements. These covenants are as follows:

- An "EBITDA/finance expenses" ratio over 4.00.
- A "Net financial debt/EBITDA" ratio below 3.50.

The calculation of these financial ratios must be carried out exclusively with the quarterly consolidated financial statements of each year.

On July 24, 2020, an agreement was signed to amend the agreement that include obligation to comply with certain financial ratios in order to adapt certain clauses of this agreement to the situation arising from COVID-19. These adaptations include a liquidity ratio of at least 200 million euros up to and including 30 June 2021, which replaces the requirement to comply with the aforementioned financial ratios.

Failure to comply with these ratios would be cause for early maturity of the financing at the request of the lender, with a period of 20 business days to remedy the failure to comply with them. As of December 31, 2019, the ratios were within the previous limits (EBITDA / Financial expenses ratio was 7.67, while the Net Financial Debt / EBITDA ratio was 2.44).

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

Certain related parties, which combined represent a significant share of consolidated total assets, consolidated revenue and consolidated EBITDA, are joint and several guarantors of this loan.

Gestamp Navarra, S.A.	Gestamp Noury, S.A.S.
Edscha Automotive Kamenice, S.R.O.	Gestamp Palencia, S.A.
Edscha Engineering, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Briey, S.A.S.	Gestamp Cerveira, Ltda.
Edscha Engineering France, S.A.S.	Gestamp Ronchamp, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Washington UK, Limited
Edscha Hengersberg Real Estate, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Automotive Hengersberg, GmbH	Gestamp Vigo, S.A.
Edscha Holding, GmbH	Gestamp Umformtechnik, GmbH
Edscha Hradec, S.r.o.	Ingeniería Global MB, S.A.
Edscha Velky Meder, S.r.o.	Loire S.A. Franco Española
Gestamp Bizkaia, S.A.	Gestamp Abrera, S.A.
Gestamp Levante, S.A.	Gestamp Aragón, S.A.
Gestamp Automoción, S.A.	Gestamp Metalbages, S.A.
Gestamp Aveiro, S.A.	Gestamp Prisma, S.A.S.
Gestamp HardTech, AB	SCI de Tournan en Brie
Gestamp Hungaria, KFT	Gestamp Solblank Barcelona, S.A.
Gestamp Linares, S.A.	Gestamp Tallent Limited
Gestamp Louny, S.r.o.	Gestamp Sweden, AB
Gestamp Esmar, S.A.	Gestamp Funding Luxembourg, S.A.
Gestamp Wroclaw, Sp. Z.o.o.	Gestamp Toledo, S.A.
Sofedit, S.A.S.	Edscha Santander, S.A.
Edscha Burgos, S.A.	Subgrupo Griwe

#### **April 2018 bond**

On April 2018, the Group has completed a senior bond issue granted through the Dominant Society for a total amount of €400 million with an annual coupon of 3.25% and TIR 3.375% (taking into account the placement price).

These bonds have as initial maturity date April 30th, 2016 and interest payable semiannually (on April and October).

The amortized cost of the bond at December 31, 2020, amounted to €395 million (2019: €393).



## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

Certain related parties, which combined represent a significant share of consolidated total assets, consolidated revenue and consolidated EBITDA, are joint and several guarantors of this loan.

Gestamp Navarra, S.A.	Gestamp Noury, S.A.S.
Edscha Automotive Kamenice, S.R.O.	Gestamp Palencia, S.A.
Edscha Engineering, GmbH	Gestamp Polska, Sp. Z.o.o.
Edscha Briey, S.A.S.	Gestamp Cerveira, Ltda.
Edscha Engineering France, S.A.S.	Gestamp Ronchamp, S.A.S.
Edscha Automotive Hauzenberg, GmbH	Gestamp Servicios, S.A.
Edscha Hauzenberg Real Estate, GmbH	Gestamp Washington UK, Limited
Edscha Hengersberg Real Estate, GmbH	Gestamp Vendas Novas Unipessoal, Lda.
Edscha Automotive Hengersberg, GmbH	Gestamp Vigo, S.A.
Edscha Holding, GmbH	Gestamp Umformtechnik, GmbH
Edscha Hradec, S.r.o.	Subgrupo Griwe
Edscha Velky Meder, S.r.o.	Ingeniería Global MB, S.A.
Gestamp Bizkaia, S.A.	Loire S.A. Franco Española
Edscha Santander, S.A.	Gestamp Abrera, S.A.
Gestamp Toledo, S.A.	Gestamp Aragón, S.A.
Gestamp Aveiro, S.A.	Gestamp Metalbages, S.A.
Gestamp HardTech, AB	Gestamp Prisma, S.A.S.
Gestamp Hungaria, KFT	SCI de Tournan en Brie
Gestamp Linares, S.A.	Gestamp Solblank Barcelona, S.A.
Gestamp Louny, S.r.o.	Gestamp Tallent Limited
Gestamp Esmar, S.A.	Gestamp Sweden, AB
Gestamp Wroclaw, Sp. Z.o.o.	Edscha Burgos, S.A.
Sofedit, S.A.S.	Gestamp Levante, S.A.
GMF Holding, GmbH	Gestamp Funfing Luxemburg, S.A
Gestamp Global Tooling, S.L.	
Gestamp Global Tooling, S.L.	

Additionally, the Group companies Gestamp Metalbages, S.A., Gestamp Bizkaia, S.A., Gestamp Vigo, S.A., Gestamp Palencia, S.A. Gestamp Servicios, S.A. and Gestamp Toledo, S.A. have shares pledge.

#### **May 2018 loan**

On May 22nd, 2018 the Company arranged a loan for an initial amount of \$45 million maturing on May 22, 2022. Interest is payable quarterly.

#### **June 2018 loan**

On June 28th, 2018 the Company arranged a loan for an initial amount of \$116 million maturing on June 27, 2023. Interest is payable quarterly.

#### **July 2018 loan**

On July 2nd, 2018 the Company arranged a loan for an initial amount of \$81.2 million maturing on July 2nd, 2022. Interest is payable quarterly.

#### **September 2018 loans**

On September 24th, 2018 the Company arranged a loan for an initial amount of €30 million maturing on September 20th, 2024. The loan has been partially repaid for € 3,000,000 in 2020, being the outstanding principal at December 31st, 2020 of € 27,000,000. 3 million are in the short term, maturing 2021 and 24 million in the long term. (€ 30 million at December 31, 2019, being €3 million in the short term and €27 million in the long term). Interest is payable quarterly.

On September 24th, 2018 the Company arranged a loan for an initial amount of €25 million maturing on September 20th, 2024. Interest is payable quarterly.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

#### November 2018 loan

On November 13th, 2018 the Company arranged a loan for an initial amount of €7.7 million maturing on November 13th, 2021. The loan has been fully repaid in 2019. Interest was payable semiannually, coinciding with the maturity dates.

#### January 2019 loans

On January 22<sup>nd</sup>, 2019 the Company arranged a loan for an initial amount of € 40 million maturing on January 22<sup>nd</sup>, 2025. Interest is payable annually coinciding from the second year, with that maturity dates.

On January 9<sup>th</sup>, 2019 the Company arranged a credit line for an initial amount of €50 million maturing on March 29<sup>th</sup>, 2019. The amount has been fully repaid at maturity. Interest was payable at maturity.

#### April 2019 loan

On April 11<sup>st</sup>, 2019 the Company arranged a credit line for an initial amount of €50 million maturing on June 28<sup>th</sup>, 2019. The amount has been fully repaid at maturity. Interest was payable at maturity.

#### July 2019 loan

On July 2<sup>nd</sup>, 2019 the Company arranged a loan for an initial amount of €50 million maturing on September 30<sup>th</sup>, 2019. The amount has been fully repaid at maturity. Interest was payable at maturity.

#### September 2019 loan

On September 30<sup>th</sup>, 2019 the Company arranged a loan for an initial amount of €30 million maturing on March 30<sup>th</sup>, 2020. The amount has been fully repaid at maturity. Interest was payable quarterly.

#### October 2019 loan

On October 1<sup>st</sup>, 2019 the Company arranged a loan for an initial amount of €50 million maturing on December 31<sup>st</sup>, 2019. The amount has been fully repaid at maturity. Interest was payable at maturity.

#### October and November 2019 Bonds

In October 2019, the Group completed a Schuldschein bond issue through the Holding Company Gestamp Automoción, SA.

The detail of the tranches is as follows.

Amount	Currency	Grant date	Interest rate	Interest period	Maturity
22,000,000	EUR	28/10/2019	Euribor 6M + 185bps	Semi-annual	28/04/2023
71,000,000	EUR	28/10/2019	Euribor 6M + 185bps	Semi-annual	28/10/2024
58,000,000	EUR	28/10/2019	Euribor 6M + 185bps	Semi-annual	28/04/2026
25,000,000	EUR	11/11/2019	Euribor 6M + 185bps	Semi-annual	28/04/2026
10,000,000	USD	28/10/2019	Libor 3M + 250bps	Quarterly	28/10/2024

In December, 2020 have been cancelled the amount of €9 million from the bond of €22 million and €30 millions from the bond of €71 million.

The outstanding nominal at December 31<sup>st</sup>, 2020 amounts €145 million (€185 million at December 31<sup>st</sup>, 2019).

Interest is payable semiannually (in April and October) in bonds issues in euros and quarterly (in January, April, July and October) the bond issue in dollars.



## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

The Parent undertook to comply with certain financial covenants during the life of the loan related to its consolidated financial statements. These covenants are as follows:

- An “EBITDA/finance expenses” ratio over 4.00.
- A “Net financial debt/EBITDA” ratio below 3.50.

Along the second half of 2020, an agreement was signed to amend the agreement that includes obligation to comply with certain financial ratios in order to adapt certain clauses of this agreement to the situation arising from COVID-19. These adaptations include a liquidity ratio of at least 200 million euros up to and including 30 June 2021, which replaces the requirement to comply with the aforementioned financial ratios.

Failure to comply with these ratios would be cause for early maturity of the financing at the request of the lenders, with a period of 20 working days to remedy the breach thereof. At December 31st, 2019, the ratios were within the previous limits (EBITDA / Financial expenses ratio was 7.67, while the Net Financial Debt / EBITDA ratio was 2.44). The calculation of these financial ratios must be carried out excluding the impacts derived from changes in accounting regulations after December 31, 2018.

Certain related parties, which combined represent a significant share of consolidated total assets, consolidated revenue and consolidated EBITDA, are joint and several guarantors of this bonds:

Gestamp Metalbages, S.A.  
Gestamp Palencia, S.A.  
Gestamp Bizkaia, S.A.  
Gestamp Umformtechnik GmbH  
Gestamp Tallent, Ltd.

Gestamp Navarra, S.A.  
Gestamp Toledo, S.A.  
Gestamp Vigo, S.A.  
Gestamp Polska Sp z.o.o.  
Sofedit, S.A.S.  
Gestamp Servicios .S.A

#### **December 2019 promissory notes**

On December 2019, the Company has arranged the issue and incorporation to the Alternative bond market of promissory notes for amount of €50 million maturing October 29<sup>th</sup>, 2021. The maximum outstanding nominal is contractually established in €150 million.

#### **January 2020 loans**

On January 8<sup>th</sup>, 2020 the Company arranged a loan for amount of € 50,000,000 maturing on March 31<sup>st</sup>, 2020. The amount has been fully repaid at maturity. Interest was payable at maturity

On January 15<sup>th</sup>, 2020 the Company arranged a loan for amount of € 40,000,000 maturing on July 15<sup>th</sup>, 2024. Interest is payable semiannually.

#### **February 2020 promissory notes**

On February 2020, the Company has arranged the issue and incorporation to the Alternative bond market of promissory notes for amount of € 25 million and € 54 million maturing on February 11<sup>th</sup>, 2022 and May 8<sup>th</sup>, 2020, respectively. This last one has been cancelled on maturity. The maximum outstanding nominal is contractually

#### **February 2020 loan**

On February 14<sup>th</sup> 2020, the Company arranged a loan for amount of € 17 million maturing April 30<sup>th</sup>, 2022 (€ 2.5 million), April 30<sup>th</sup>, 2023 (€ 3.5 million), April 30<sup>th</sup>, 2024 (€ 4.5 million) and April 30<sup>th</sup>, 2025 (€ 6.5 million). Interest is payable annually from April 30<sup>th</sup>, 2021.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

#### **March 2020 loan**

On March 13rd, 2020 the Company arranged a loan for amount of € 100 million, maturing on April 30<sup>th</sup>, 2023. Interest is payable semiannually.

The outstanding amount at December 31, 2020 is in the long term, amounting € 100 million.

The Parent undertook to comply with certain financial covenants during the life of the loan related to its consolidated financial statements. These covenants are as follows:

- An “EBITDA/finance expenses” ratio over 4.00.
- A “Net financial debt/EBITDA” ratio below 3.50.

On June 18, 2020, an agreement was signed to amend the agreement that include obligation to comply with certain financial ratios in order to adapt certain clauses of this agreement to the situation arising from COVID-19. These adaptations include a liquidity ratio of at least 200 million euros up to and including 30 June 2021, which replaces the requirement to comply with the aforementioned financial ratios.

Failure to comply with these ratios would be cause for early maturity of the financing at the request of the lender, with a period of 20 working days to remedy the breach thereof.

Additionally, there is a limitation on the distribution of dividends whereby the dividend to be distributed in each year cannot exceed 50% of the profit for the consolidated year. In the agreement to modify the contract signed on June 18th, 2020, it was agreed that no dividend payment would be made until June 30th, 2021 inclusive.

#### **April 2020 loans**

On April 1<sup>st</sup>, 2020 the Company arranged a loan for amount of € 50 million, maturing on April 30<sup>th</sup>, 2020. The amount has been fully repaid at maturity. Interest was payable at maturity

On April 27<sup>th</sup>, 2020 the Company arranged a loan for amount of € 10 million, maturing on April 27<sup>th</sup>, 2025. Interest is payable annually.

On April 29<sup>th</sup>, 2020 the Company arranged a loan for amount of € 15 million maturing April 30<sup>th</sup>, 2023. Interest is payable monthly

#### **ICO loan 2020**

On July 9<sup>th</sup>, 2020 the Company arranged a financing agreement for amount of € 100 million maturing July 9<sup>th</sup>, 2027, in order to finance partially the investment plan for the 2020-2024 period in R + D + I, in more efficient technologies for the transformation of metal, applied to the automotive industry, as well as investment in the manufacture of components for electric vehicles and material investments associated with the above, in the Group's facilities.

The principal will be disposed according to the established calendar, at a rate of € 12,500,000 per quarter from July 2020 to April 2022, date of the last disposal.

The outstanding nominal at December 31<sup>st</sup>, 2020 amounts € 25 million.

Interest is payable monthly.

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

The Parent undertook to comply with certain financial covenants during the life of the loan related to its consolidated financial statements. These covenants are as follows:

- An “EBITDA/finance expenses” ratio over 4.00.
- A “Net financial debt/EBITDA” ratio below 3.50.

The calculation of these financial ratios must be carried out exclusively with the quarterly consolidated financial statements of each year.

Failure to comply with these ratios would be cause for early maturity of the financing at the request of the lender, with a period of 20 working days to remedy the breach thereof.

Certain related parties, which combined represent a significant share of consolidated total assets, consolidated revenue and consolidated EBITDA, are joint and several guarantors of this loan.

Edscha Automotive Hengersberg, GmbH	Edscha Briey, S.A.S.
Edscha Holding, GmbH	Sofedit, S.A.S.
Subgrupo Griwe	Societe Civile Immobiliere de Tournan
Edscha Automotive Hauzenberg, GmbH	Edscha Engineering France, S.A.S.
Gestamo Umformtechnik, GmbH	Gestamp Prisma, S.A.S.
Edscha Hengersberg Real Estate, GmbH & Co. KG	Gestamp Hungaria, Kft
Edscha Hauzenberg Real Estate, GmbH & Co. KG	Gestamp Polska, Sp. Z o.o.
Edscha Engineering, GmbH	Gestamp Wroclaw, Sp. Z o.o.
Gestamp Servicios, S.A.	Gestamo Aveiro, S.A.
Gestamp Navarra, S.A.	Gestamp Cerveira, Lda.
Gestamp Bikkaia, S.A.	Gestamp Vendas Novas, Unipessoal, Lda.
Gestamp Metalbages, S.A.	Edscha Automotive Kamenice, s.r.o.
Gestamp Esmar, S.A.	Edscha Hradec, s.r.o.
Gestamp Palencia, S.A.	Gestamp Louny, s.r.o.
Gestamp Abrera, S.A.	Gestamp Tallent, Ltd.
Gestamp Solblank Barcelona, S.A.	Gestamp Washington UK, Ltd.
Loire S.A.F.E.	Edscha Velky Meder, s.r.o.
Gestamp Aragón, S.A.	Gestamp HardTech, AB
Gestamp Linares, S.A.	Gestamp Funding Luxembourg, S.A.
Gestamp Vigo, S.A.	GMF Holding, GmbH
Gestamp Automoción, S.A.	Edscha Santander, S.A.
Ingeniería Global Metalbages, S.A.	Edscha Burgos, S.A.
Gestamp Noury, S.A.S.	Gestamp Global Tooling, S.L.
Gestamp Ronchamp, S.A.S.	Gestamp Toledo, S.A.
Gestamp Sweden, AB	Gestamp Levante, S.A.

#### **May 2020 loan**

On May 13<sup>th</sup>, 2020 the Company arranged a loan for amount of €10 million increased in € 3 million on September 2020. € 3.2 million maturing on 2021, are in the short term and € 9.8 million are in the long term, with final maturing date on May 13<sup>th</sup>, 2023. Interest is payable quarterly, being the first payment on November 2020.

#### **European Investment Bank 2020**

On may 18<sup>th</sup>, 2020 the Company arranged finance with the European Investment Bank for €200 million.

At December 31, 2020 the outstanding amount is in the long term. Amounting € 200 million.

This loan is for seven years and matures on May 28, 2027.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

The Parent undertook to comply with certain financial covenants during the life of the loan related to its consolidated financial statements. These covenants are as follows:

- An “EBITDA/finance expenses” ratio over 4.00.
- A “Net financial debt/EBITDA” ratio below 3.50.

On July 27th, 2020, an agreement was signed to amend the agreement that include obligation to comply with certain financial ratios in order to adapt certain clauses of this agreement to the situation arising from COVID-19. These adaptations include a liquidity ratio of at least 200 million euros up to and including 30 June 2021, which replaces the requirement to comply with the aforementioned financial ratios.

Failure to comply with these ratios would be cause for early maturity of the financing at the request of the lender, with a period of 20 business days to remedy the breach thereof. The calculation of these financial ratios must be carried out excluding the impacts derived from changes in accounting regulations after December 31st, 2018.

Additionally, there is a limitation on the distribution of dividends whereby the dividend to be distributed in each year cannot exceed 50% of the profit for the consolidated year. In the agreement dated July 23, 2020 regarding the modification of the loan contract, it was agreed that no dividend payment would be made until June 30, 2021 inclusive.

Certain related parties, which combined represent a significant share of consolidated total assets, consolidated revenue and consolidated EBITDA, are joint and several guarantors of this loan.

Edscha Automotive Hengersberg, GmbH	Edscha Briey, S.A.S.
Edscha Holding, GmbH	Sofedit, S.A.S.
Subgrupo Griwe	Societe Civile Immobiliere de Tournan
Edscha Automotive Hauzenberg, GmbH	Edscha Engineering France, S.A.S.
Gestamo Umformtechnik, GmbH	Gestamp Prisma, S.A.S.
Edscha Hengersberg Real Estate, GmbH & Co. KG	Gestamp Hungaria, Kft
Edscha Hauzenberg Real Estate, GmbH & Co. KG	Gestamp Polska, Sp. Z o.o.
Edscha Engineering, GmbH	Gestamp Wroclaw, Sp. Z o.o.
Gestamp Servicios, S.A.	Gestamo Aveiro, S.A.
Gestamp Navarra, S.A.	Gestamp Cerveira, Lda.
Gestamp Bikkaia, S.A.	Gestamp Vendas Novas, Unipessoal, Lda.
Gestamp Metalbages, S.A.	Edscha Automotive Kamenice, s.r.o.
Gestamp Esmar, S.A.	Edscha Hradec, s.r.o.
Gestamp Palencia, S.A.	Gestamp Louny, s.r.o.
Gestamp Abrera, S.A.	Gestamp Tallent, Ltd.
Gestamp Solblank Barcelona, S.A.	Gestamp Washington UK, Ltd.
Loire S.A.F.E.	Edscha Velky Meder, s.r.o.
Gestamp Aragón, S.A.	Gestamp HardTech, AB
Gestamp Linares, S.A.	Gestamp Funding Luxembourg, S.A.
Gestamp Vigo, S.A.	GMF Holding, GmbH
Gestamp Automoción, S.A.	Edscha Santander, S.A.
Ingeniería Global Metalbages, S.A.	Edscha Burgos, S.A.
Gestamp Noury, S.A.S.	Gestamp Global Tooling, S.L.
Gestamp Ronchamp, S.A.S.	Gestamp Toledo, S.A.
Gestamp Sweden, AB	Gestamp Levante, S.A.

#### July 2020 loan

On July 10<sup>th</sup>, 2020 the Company arranged a loan for amount of € 10 million maturing May 29<sup>th</sup>, 2024. Interest is payable monthly.

#### December 2020 loan

On December 11<sup>th</sup>, 2020 the Company arranged a loan for amount of € 30 million maturing December 11<sup>th</sup>, 2025. Interest is payable annually.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

#### Accrued interest payable

Accrued interest payable at December 31, 2020 amounted to €8,099,406, broken down as follows:

- Interest on bank loans of €2,915,922
- Interest of bonds debt obligations and other securities of €2,645,849
- Interest on credit facilities of €103,984
- Interest on derivatives of €2,433,651

Accrued interest payable at December 31, 2019 amounted to €6,026,397, broken down as follows:

- Interest on bank loans of €984,892
- Interest of bonds debt obligations and other securities of €2,953,128
- Interest on credit facilities of €209,950
- Interest on derivatives of €1,878,427

#### **14.2 Derivatives and other**

The breakdown of financial liabilities classified in this category at December 31 is as follows:

(€)	2020	2019
Non-current		
Derivatives	39,772,166	54,090,836
	<b>39,772,166</b>	<b>54,090,836</b>
Current		
Payables to group companies and associates (Note 19)	1,405,365,881	1,221,985,948
Trade and other payables	1,876,216	2,269,942
	<b>1,407,242,097</b>	<b>1,224,255,890</b>

#### Derivatives

This item includes the fair value of cash flow hedges and derivatives held for trading arranged by the Company at December 31:

(€)	2020	Item	2019
<b>Derivative financial assets</b>		-	<b>1,197,201</b>
Derivatives held for trading		-	1,197,201
<b>Derivative financial liabilities</b>	<b>39,772,166</b>		<b>51,110,713</b>
Cash flow hedges	15,328,914		8,370,592
Derivatives held for trading	24,443,252		45,720,244

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

The breakdown of the fair value of derivative financial assets and liabilities is as follows:

Contract	Type	2020		2019	
		Asset	Liabilities	Asset	Liabilities
1	Cash flow	-	-	-	3,651,164
5	Cash flow	-	-	-	2,754,981
3	Cash flow	-	-	-	1,964,447
9	Exchange rate	-	12,585,630	-	-
10	Exchange rate	-	2,743,284	-	-
<b>Total cash flow hedges</b>		-	<b>15,328,914</b>	-	<b>15,043,592</b>
1	Derivatives held for trading	-	-	-	26,437,750
2	Derivatives held for trading	-	19,048,180	-	14,872,099
3	Derivatives held for trading	-	5,212,272	-	4,281,200
4	Derivatives held for trading	-	-	190,403	-
5	Derivatives held for trading	-	-	204,000	-
6	Derivatives held for trading	-	-	-	129,195
7	Derivatives held for trading	-	-	802,798	-
8	Derivatives held for trading	-	182,800	-	-
<b>Total derivatives held for trading</b>		-	<b>24,443,252</b>	<b>1,197,201</b>	<b>45,720,244</b>

#### Interest rate derivatives

At December 31, 2018, Gestamp Automoción, S.A. implemented its strategy to hedge the interest rate risk related to the notional amounts of its bank borrowings expected for 2019 to 2020 through interest rate swaps, with the following notional amounts existing at December 31 of each year in thousands of euros:

Year	Contract 1	Contract 3	Contract 5
2020	140,000	77,836	110,000
2021	-	-	-

Interest rate financial swap operations have maintained the following conditions throughout the year:

Contract	Contract date	Maturity	Floating rate	Fixed rate payable
Contract 1	01/07/2015	01/01/2021	Euribor 3 meses	0,25%(2015),0,45%(2016),1,2%(2017),1,4%(2018), 1,98% (2019), 2,15% (2020)
Contract 3	14/07/2015	01/01/2021	Euribor 3 meses	0,25%(2015-2016-2017),1,40%(2018),1,98%(2019) y 2,12%(2020)
Contract 5	02/01/2015	04/01/2021	Euribor 3 meses	0,15% (2015), 0,4% (2016), 1% (2017), 1,25% (2018), 1,8% (2019), 2,05% (2020)

The contracts have been canceled at maturity.

The Company uses the cash flow hedge method, whereby the change in the fair value of the financial swaps is recognized in equity and the accruals of interest rates are recognized in the income statement. The ineffective portion of the financial swap is classified as held for trading and the change in value is recognized directly in the income statement. At December 31<sup>st</sup>, 2020 the current contracts are considered held for trading.

The financial years in which the hedges affecting profit or loss are expected to be settled are as follows:

Years (€000)	2020	2019
2020	-	(8,276)
2021	-	(94)
2022	-	-
2023	-	-
2024	-	-
2025	-	-
<b>Total</b>	-	<b>(8,370)</b>

## **GESTAMP AUTOMOCIÓN, S.A.**

### **Notes to the financial statements for the year ended December 31, 2020**

At December 31, 2020, the Company transferred from equity to the income statement an expense of €8,534 thousand for the impact of settlements made in the year related to interest rate hedging transactions. In 2018, the amount recognized in the same connection was €5,355 thousand.

In 2020, the net expense of €5,289,953 related to held for trading transactions, was recognized in the income statement, whereas in 2019, the net expense statement was €3,625,376.

#### Exchange rate derivatives

In January, May and September 2016, a series of economic hedges (Contract 9) were arranged on the exchange rate of the loans granted by Mursolar, S.L. to Gestamp Dongguan and Shenyang, for a total of US\$82 million. The guaranteed exchange rates by the contract are €1.172789/\$, €1.158148/\$, €1.190109/\$, €1.163874/\$, €1.143447/\$ and €1.190109/\$.

On May 23rd and November 23rd, 2018 the Company has partially canceled the coverage contracts of May and September of 2016 (Contract 9), for the exchange of the loans granted by Mursolar, S.L. to Gestamp Dongguan and Shenyang for the total amount of \$82 million, due to the repaid of the amount of \$38 million of the loans. The outstanding principal at December 2018 is \$44 million. The exchange covered by the outstanding contracts are 1.172789, 1.158148, 1.190109, 1.163874, 1.143447 EUR/USD.

In January, February and July, 2020 part of the coverage contracts for USD 31 million have expired, due to the maturity of the loans granted by Mursolar, S.L. to Gestamp Dongguan and Shenyang. In September, the company canceled the last hedging contract that was pending for \$ 13 million, coinciding with the early cancellation of the loan it was covering.

On November 13th, 2019 the Company formalized a Forward contract with a financial entity (contract number 16) maturing January 9th, 2020, in which the company agrees to sell 62,000,000 USD at an exchange rate of 1.10535 EUR/ USD. This contract has been renovated on January 9th 2020, setting a new maturity on July 20th 2020.

In January 2020, the Company signed a loan granted by Bank of America, Barclays and Commerzbank amounting to \$ 30,000 thousand (Contract 9) To cover this loan, an exchange rate derivative was signed with the financial entity, the negative fair value of which amounted to 2,743 thousand euros at 31 December 2020..

The initial measurement arising in January 2020 was negative in the amount of 58 thousand euros. This amount was recognised under "Other current assets" and accrues over the term of the loan on a straight-line basis over 60 months, with its balance at 31 December 2020 amounting to 47 thousand euros.

At 31 December 2020, the Company transferred from Equity to the Consolidated Income Statement an expense of 2,493 thousand euros in order to offset the positive exchange difference generated in the measurement of the loan.

In January 2020, the Company signed a second loan granted by Bank of America, Barclays and Commerzbank amounting to \$ 142,552 thousand (Contract 9). To cover this loan, an exchange rate derivative was signed with the financial entity, the negative fair value of which amounted to 12,586 thousand euros at 31 December 2020.

The initial measurement arising in January 2020 was positive in the amount of 251 thousand euros. This amount was recognised under "Other current liabilities" and accrues over the term of the loan on a straight-line basis over 60 months, with its balance at 31 December 2020 amounting to 205 thousand euros.



## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

At 31 December 2020, the Company transferred from Equity to the Consolidated Income Statement an expense of 11,845 thousand euros in order to offset the positive exchange difference generated in the measurement of the loan.

#### Trade and other payables

The breakdown of this item at December 31, 2020 is as follows:

(€)	2020	2019
Personnel (salaries payable)	858,712	769,593
Trade payables	111,458	371,436
Public entities, other (Note 15)	906,046	1,128,913
	<b>1,876,216</b>	<b>2,269,942</b>

## 15. TAXATION

The breakdown of tax assets and tax liabilities at 31 December is as follows:

(€)	2020	2019
Receivable		
Public entities, other	8,311	5,461
Current tax assets	4,366,919	5,953,340
	<b>4,375,230</b>	<b>5,958,801</b>
Payable	-	-
Public entities, other	906,046	1,128,913
	<b>906,046</b>	<b>1,128,913</b>

The receivable relates mainly to withholdings of interest on loans of prior years, above all for 2020, for € 3,583,461, previous years, for €783,458.

Under prevailing tax regulations, tax returns may not be considered final until they have either been inspected by the tax authorities or until the four-year inspection period has expired. The Company is open to inspection of all taxes to which it is liable for the last four years. The Company's directors and their tax advisors consider that, in the event of a tax inspection, no significant tax contingencies would arise as a result of varying interpretations of the tax legislation applicable to the Company's transactions.

### 15.1 Calculation of income tax expense

Gestamp Automoción, S.A. has filed consolidated taxes since 2014 together with its subsidiaries in Gestamp Bizkaia, S.A., Gestamp North Europe Services, S.L., Bero Tools, S.L. y Loire Sociedad Anónima Franco Española, S.A., located in Bizkaia. During 2015 and 2016 the following entities have joined the Group: Gestamp Try Out Services, S.L., Gestamp Tool Hardening, S.L, Gestamp Global Tooling, S.L., Adral Matricería y Puesta a Punto, S.L., Gestamp Technology Institute, S.L., Diede Developments y Matricería Deusto, S.L. in 2018, Reparaciones Industriales Zaldívar, S.L. and Autotech Engineering, S.L., in 2019. The companies of this tax group comprise the Group's total accounting profit or loss and the tax credits and relief, distributed in accordance with the Resolution of the Institute of Accounting and Accounts Auditing (*Instituto de Contabilidad y Auditoría de Cuentas*) of February 9, 2016, regarding the recognition and determination of the individual tax charge. Gestamp Automoción, S.A. files tax under this regime as the parent of the regional tax group.



## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

The Foral Regulation 2/2018 of March 21, has modified the general tax rate, which passes, from 28% to 26% in 2018 and to 24% in subsequent years. As a result, the Company has adjusted the previous deferred tax assets and liabilities based on the current tax rate at the estimated date of reversal. The effect of this adjustment has entailed a charge in the corporate tax expense of 1,061 thousand euros.

The reconciliation of net income and expense for the year with taxable income (tax loss) is as follows:

#### 2020

(€)	Income statement			Income and expense recognized directly in equity		
	Increases	Decreases	Total	Increases	Decreases	Total
Income and expense for the year	(52,071,958)	-	(52,071,958)	30,058,722	-	30,058,722
Income tax	5,308,829	-	5,308,829	(7,214,093)	-	(7,214,093)
<b>Income and expense for the year before tax</b>	<b>(57,380,787)</b>	<b>-</b>	<b>(57,380,787)</b>	<b>22,844,629</b>	<b>-</b>	<b>22,844,629</b>
Permanent differences	22,275,715	11,370,825	22,275,715			
Temporary differences	16,548,402	-	16,548,402			
<b>Taxable income (tax loss)</b>			<b>(29,927,495)</b>	<b>22,844,629</b>		<b>(7,082,866)</b>

#### 2019

(€)	Income statement			Income and expense recognized directly in equity		
	Increases	Decreases	Total	Increases	Decreases	Total
Income and expense for the year	154,711,130	-	154,711,130	5,198,097	-	5,198,097
Income tax	2,499,743	-	2,499,743	(1,247,543)	-	(1,247,543)
<b>Income and expense for the year before tax</b>	<b>152,211,387</b>	<b>-</b>	<b>152,211,387</b>	<b>3,950,554</b>	<b>-</b>	<b>3,950,554</b>
Permanent differences	4,035,786	166,261,382	(162,225,596)	-	-	-
Temporary differences	63,762	5,307,616	(5,243,884)	-	-	-
<b>Taxable income (tax loss)</b>			<b>(15,258,093)</b>	<b>3,950,554</b>		<b>(11,307,539)</b>

Permanent differences arose as a result of:

#### 2020

##### **Decreases**

- Adjustments for income from use of the "GESTAMP Trademark of €10,189,725.
- Adjustments for dividends received from group companies of € 1,181,100.

##### **Increases**

- Increases relate mainly to the impairment of investments in group companies, amounting to €16,622,962 (note 8.1).
- Trademark amortization of €3,130,486.
- Non-deductible provisions for impairment of investments in group companies of € 2,522,267.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

#### 2019

##### *Decreases*

- Adjustments for income from use of the “GESTAMP” trademark of €10,422,028.
- Decreases relate mainly to the impairment of investments in group companies, amounting to €5,353,763.
- Adjustments for dividends received from group companies of €150,288,862.
- Adjustments for thincapitalization rules of €193,739.

##### *Increases*

- Increases relate mainly to the impairment of investments in group companies, amounting to €811,511 (Note 8.1).
- Trademark amortization of €3,224,275.

The temporary differences are due to:

#### 2020

##### *Increases*

- Non deductible accruals for long term obligations with the company employees of €1,307,936.
- Adjustments for non deductible financial expenses of € 15,240,465.

#### 2019

##### *Increases*

- Non deductible accruals for long term obligations with the company employees of €63,732.

##### *Decreases*

- Adjustments for non deductible financial expenses of €5,307,616.

The reconciliation between income tax expense/(income) and the result of multiplying total recognized income and expenses by the applicable tax rates is as follows:

(€)	Profit/(loss)	
	2020	2019
Income and expense for the year before tax	(57,380,787)	152,211,387
Tax charge (24 %)	-	36,530,733
Permanent differences	-	(38,934,143)
Recognition of tax credits	(2,598,917)	(2,427,746)
Withholdings abroad	1,262,264	2,427,746
Temporary differences	(3,971,616)	-
Other	(559)	(96,333)
<b>Effective tax expense/(income)</b>	<b>(5,308,829)</b>	<b>(2,499,743)</b>

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

Applying the established criteria (Note 4.12), at December 31, 2020 and 2019, the Company recognized receivables for the tax debts and credits arising from settlements of tax from companies comprising the tax group of €6,108,982 (2019: €6,794,948) and payables of €3,308,586 (2019: €4,089,984), in accounts with group companies (Note 19), with the following detail:

(€)	Receivables / (payables)	
	2020	2019
Tax credits, Gestamp Bizkaia, S.A.	2,766,225	3,475,015
Calculation of tax, Loire, SAFE.	(188,002)	(10,993)
Calculation of tax, Gestamp North Europe Services	1,269,755	1,340,646
Offset of tax losses, Berotools, S.L.	(218,816)	(325,343)
Gestamp Try Out Services, S.L.	74,660	42,384
Gestamp Technology Institute, S.L.	(54,632)	45,657
Diede Developments, S.L.	383,823	(106,299)
Gestamp Tooling Hardening, S.L.	(131,677)	(414,598)
Gestamp Global Tooling, S.L.	(1,522,910)	(2,799,514)
Adral, S.L.	468,001	578,353
Autotech Engineering S.L.	1,146,518	1,046,004
Reparaciones Industriales Zaldibar, S.L.	(50,043)	266,889
Matrickeria Deusto, S.L.	(1,142,506)	(433,237)
	<b>2,800,396</b>	<b>2,704,964</b>

This net balance payable resulting from the liquidations of the different companies forming the tax group is offset by tax credits provided by the company and other companies in the tax group (see 15.2).

Income tax refundable was calculated as follows:

(€)	2020	2019
Current tax	1,262,264	2,272,079
Deductions applied	(1,262,264)	(2,272,079)
Withholdings	3,576,470	4,915,208
<b>Income tax refundable</b>	<b>3,576,470</b>	<b>4,915,208</b>

Additionally, the Company has collection rights for current tax, amounting to € 790 thousand at December 31, 2020 (€ 1,038 thousand at December 31, 2019).

## 15.2 Deferred tax assets and liabilities

The detail and movements in the items composing "Deferred tax assets" are as follows:

000 €	Opening balance	Changes reflected in Profit/(loss) for the year			Closing balance	
		Additions	Decreases	Total equity		
<b>Ejercicio 2020</b>						
Deferred tax assets	18,222,768	1,262,264	-	-	559	19,485,591
Unused tax credits and tax relief	5,023,052	2,434,226	-	-	(3,897,971)	3,559,307
Carryforward of unused tax losses	542,526	313,905	-	-	-	856,431
Non-deductible financial expenses	4,702,269	3,657,712	-	-	-	8,359,981
Tax effect of derivatives	2,008,943	284,186	(2,008,942)	37,686	-	284,187
	<b>30,499,558</b>	<b>7,952,293</b>	<b>(1,273,828)</b>	<b>37,686</b>	<b>(3,897,412)</b>	<b>32,545,497</b>

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

000 €	Opening balance	Changes reflected in Profit/(loss) for the year		Total equity	Other	Closing balance
		Additions	Decreases			
<b>Ejercicio 2019</b>						
Deferred tax assets	15,795,023	2,427,746	-	-	-	18,222,769
Unused tax credits and tax relief	3,138,645	4,574,037	-	-	(2,689,629)	5,023,053
Carryforward of unused tax losses	527,230	15,296	-	-	-	542,526
Non-deductible financial expenses	5,976,097	-	(1,273,828)	-	-	4,702,269
Tax effect of derivatives	1,971,257	-	-	37,686	-	2,008,943
	<b>27,408,251</b>	<b>7,017,079</b>	<b>(1,273,828)</b>	<b>37,686</b>	<b>(2,689,629)</b>	<b>30,499,560</b>

The "Other" caption relates mainly to the tax credits provided by the company to the settlement of the consolidated tax for the year.

In addition, at December 31, 2020 and 2019, the Company had unused tax credits amounting to €19,481 and €18,219 thousand, respectively. The detail of these credits and their expiry is as follow:

000€ Year generated	Last year of offset	2020	2019
1998	2044	142	142
1999	2044	272	272
2000	2044	119	119
2001	2044	84	84
2002	2044	103	103
2004	2044	-	-
2005	2044	-	-
2006	2044	3	3
2007	2044	3,794	3,794
2009	2044	17	17
2010	2044	7,952	7,952
2011	2044	-	-
2011	2044	-	-
2012	2044	9	9
2013	2044	1,025	1,025
2014	2048	2,272	2,272
2014	2049	2,427	2,427
2020	2050	1,262	-
		<b>19,481</b>	<b>18,219</b>

The Company has recorded tax credits resulting from the losses pending compensation in the amount of €1,565 thousand generated in 2020 (3,662 thousand euros in 2019) and its pending deductions (according to the details above), since it has been estimated that its future recovery is reasonably assured.

Tax assets recognized for both, tax losses and unused tax credits, that have been obtained before the existence of the tax group, may only be offset with future positive results of the Company that have generated them, provided that the tax group also has the power to set them off.

## 16 REVENUE AND EXPENSES

The amount of revenue relates to the royalty charged to subsidiaries for use of the GESTAMP trademark acquired in 2020, to the provision of financial and corporatives services and to dividend income.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

#### 16.1 Operating income

The breakdown of the net revenue from continuing operations by business category and geographic market is as follows:

	2020	2019
<b>Revenue</b>	<b>96,818,869</b>	<b>260,798,513</b>
Rendering of intellectual property services (Note 19)	39,644,379	35,243,517
Rendering of financial services (Note 19)	55,993,390	75,266,134
Dividend income (Note 19)	1,181,100	150,288,862
<b>Other operating income</b>	<b>11,109,423</b>	<b>2,671,442</b>
Non-trading and other operating income (Note 19)	11,108,087	2,671,442
Operating subsidies transferred to the result of the year	1,336	-
	<b>107,928,292</b>	<b>263,469,955</b>

The amount of Non-trading and other operating income includes €360,000 in concept of remuneration of directors and €10,748,087 in concept of rental income and different services.

#### 16.2 Other operating expenses

The breakdown of "Employee benefits expense" is as follows:

(€)	2020	2019
<b>Staff costs</b>	<b>4,539,775</b>	<b>3,823,920</b>
Salaries, wages	4,265,585	3,520,572
Social charges	274,190	303,348
<i>Social Security</i>	229,946	285,576
<i>Other</i>	44,244	17,772

#### 16.3 External services

The breakdown of "External services" is as follows:

(€)	2020	2019
Leases	169,237	133,068
Independent professional services	2,261,035	3,345,456
Banking services	2,610,518	1,694,317
Repairs and maintenance	279	3,065
Insurance premiums	10,746	79,051
Travel expenses	114,420	546,942
Publicity and public relations	8,857	33,883
Communications	47,752	35,496
Hardware	1,768	3,636
Office supplies	674	1,212
Other services	33,727	6,318
	<b>5,259,013</b>	<b>4,801,312</b>

The cost of banking services corresponds mainly to the commissions on bank guarantees granted in favor of group companies detailed in note 18. These amounts are re-invoiced to the beneficiary companies.

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

#### 16.4 Finance income

The breakdown of "Finance income" is as follows:

(€)	2020	2019
Third-party interest	3,129,262	941,610
	<b>3,129,262</b>	<b>941,610</b>

#### 16.5 Finance expenses

The breakdown of "Finance expenses" is as follows:

(€)	2020	2019
Interest on payables to group companies (Note 19)	24,700,537	24,181,467
Loans and debts with financial institutions	74,005,134	69,807,016
	<b>98,705,671</b>	<b>93,988,483</b>

#### 16.6 Impairment losses and gains/losses on disposal of non-current assets

The Company recognized € 53,491,319 of impairment profits on investments in group companies (2019: losses €9,751,577) (Note 8.1).

### 17. FOREIGN CURRENCY

The Company has assets and liabilities denominated in other currencies. The main amounts in foreign currency and their equivalent values in euros at December 31, 2020 and 2019, are as follows:

2020	Foreign currency	Currency	Euros
<b>Assets</b>			
Non-current loans to group companies	5,000,000	USD	4,090,000
Current loans to group companies	4,023,746,491	HUF	11,105,540
	3,092,000	USD	2,529,256
	-	-	-
Intragroup current accounts	119,521,509	USD	97,757,498
	7,274,536	GBP	8,122,965
	117,087,308	SEK	11,654,870
	2,714,855,316	HUF	7,493,001
Current interest receivable on loans to group companies	21,221,362	HUF	58,571
	256,465,753	INR	2,857,028
	3,600,049	USD	2,948,817
	210,013	GBP	234,507
	3,996,136	SEK	397,775
Cash	108,763,007	GBP	121,448,037
	2,046	JPY	16
	59	MAD	5
	279,810,312	USD	228,884,836
	64,909,478	SEK	6,461,089
	781,413,654	HUF	2,156,702
	376,261	PLN	82,371
	-	-	-
Trade receivables	15,635,135	TRY	2,121,313
	-	-	-
	-	-	-
	-	-	-
	-	-	-
Debt Securities	2,750,000,000	INR	30,635,000

**GESTAMP AUTOMOCIÓN, S.A.**
**Notes to the financial statements for the year ended December 31, 2020**

<b>2020</b>	<b>Foreign currency</b>	<b>Currency</b>	<b>Euros</b>
<b>Liabilities</b>			
Intragroup current accounts	7,279	CNY	910
	23,586	INR	263
	415,924	PLN	91,054
	196,619,442	USD	160,823,608
	346,132,431	HUF	955,326
	33,892,073	GBP	37,844,906
	108,221,820	SEK	10,772,400
Current interest payable to group companies	1,013,395	USD	828,957
	-	-	-
	-	-	-
Current loans to credit entities	414,752,062	USD	339,267,186
Bonds and debentures	10,000,000	USD	8,180,000
Current interest payable to credit entities	122,768	USD	100,424
<b>2019</b>			
	<b>Foreign currency</b>	<b>Currency</b>	<b>Euros</b>
<b>Assets</b>			
Non-current loans to group companies	5,000,000	USD	4,452,750
Current loans to group companies	3,780,558,651	HUF	11,417,287
	3,092,000	USD	2,753,581
Intragroup current accounts	27,126,613	GBP	32,040,328
	966,956,760	HUF	2,920,209
	355,060,470	SEK	33,819,510
	186,971,688	USD	166,507,637
Current interest receivable on loans to group companies	756,156	GBP	893,126
	8,749,964	HUF	26,424.89
	256,465,753	INR	3,203,257.26
	9,573,014	SEK	911,830
	5,714,429	USD	5,088,985
Cash	640	CNY	82
	18,958,573	GBP	22,392,729
	224,131,519	HUF	676,877
	14,046	JPY	115
	10,469	MAD	975
	376,261	PLN	88,399
	20,089,155	SEK	1,913,492
	32,954,782	USD	29,347,881
Trade receivables	16,703,437	TRY	2,510,082
	(3,720)	USD	(3,360)
Debt Securities	2,750,000,000	INR	34,347,500

**GESTAMP AUTOMOCIÓN, S.A.**
**Notes to the financial statements for the year ended December 31, 2020**

2019	Foreign currency	Currency	Euros
<b>Liabilities</b>			
Intragroup current accounts	6,569,067	GBP	7,758,988
	346,132,431	HUF	1,045,320
	142,646,255	SEK	13,587,056
	270,252,137	USD	240,706,903
	7,279	CNY	931
	23,586	INR	295
	415,924	PLN	97,717
Current interest payable to group companies	454,071	USD	405,532
Current loans to credit entities	242,200,000	USD	215,691,210
Bonds and debentures	10,000,000	USD	8,905,500
Current interest payable to credit entities	244,088	USD	217,372
Suppliers	(43,099)	USD	(38,210)

Exchange gains/ (losses) generated in the year are as follows:

(€)	2020	2019
Realized	(2,276,848)	4,226,511
Unrealized	(1,018,134)	5,954,888
	<b>(3,294,982)</b>	<b>10,181,399</b>

Source of exchange differences:

(€)	2020	2019
Chinese Yuan Renminbi	7	6
Pound Sterling	3,486,174	(2,971,841)
Hungarian Florins	2,975,297	445,170
Indian Rupee	3,681,940	33,817
Zloty	(635)	71
Japanese Yen	10	(3)
Romanian Leu	(21)	-
Moroccan Dirham	110	133
Swedish Crowns	(417,524)	3,788,058
American Dollars	(13,246,047)	8,716,138
Turkish Lira	225,707	169,850
	<b>(3,294,982)</b>	<b>10,181,399</b>



## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

#### 18. GUARANTEES AND DEPOSITS EXTENDED TO GROUP COMPANIES AND THIRD PARTIES

Guarantees and deposits extended by the Company to credit institutions for loans, credits and deposits granted to group companies at December 31, 2020 and 2019, are as follows:

	2019	2018
Gestamp Servicios, S.A.	2,700	1,049
Gestamp Vigo, S.A.	566	17
Loire SAFE	5,809	3,276
Inmobiliaria Acek, S.L.	7	7
Adral Matricería y Puesta a Punto, S.L.	263	66
Gestamp Aveiro, Lda.	2,594	1,971
Essa Palau, S.A.	7,469	7,135
Gestamp Metalbages, S.A.	4,524	10,822
Gestamp Linares, S.A.	183	3
Gestamp ESMAR, S.A.	449	135
Gestamp Cerveira, Lda.	109	192
Gestamp Palencia, S.A.	532	6
Gestamp Bizkaia, S.A.	1,790	342
Gestamp Toledo, S.A.	824	474
Autotech Engineering, S.L.	169	169
Gestamp Navarra, S.A.	845	1
Gestamp Wroclaw Sp. z.o.o.	577	577
Gestamp Chatanooga II, Llc	8,011	25,446
Gestamp Global de Matricería, S.L.	90	90
Gestamp Polska Sp. z.o.o.	7,323	73,792
Gestamp Autotech Engineering R&D USA	915	996
Edscha Brugos, S.A.	494	251
Gestamp Technology Institute, S.L.	363	363
Gestamp Griwe Westerburg, GmbH	2,223	-
Global Láser Araba, S.L.	47	47
Gestamp Global Tooling Services, AIE	8,807	14,139
Gestamp Unformtechnick GMBH	16,116	29,750
Reparaciones Industriales Zaldívar, S.L.	-	35
Acek desarrollo y gestión Industrial, S.L.	-	69,935
Gestamp Hardtech, AB	-	143
Sofedit S.A.S.	1,261	282
Gestamp North America, Llc	2,863	2,672
Gestamp Tooling Erandio S.L	229	-
Edscha Holding, GmbH	860	-
Gestamp North Europe Division Services	881	-
Edscha Santander, S.A.	432	-
Gestamp Tool Hardening, S.L.	230	-
Gestamp Abrera, S.A.	386	-
Matricería Deusto, S.L.	270	-
Gestamp Levante, S.A.	606	-
Gestamp Ingeniería Europa Sur, S.L	264	-
Edscha Automotive Hengersberg, GmbH	1,520	-
Edscha Automotive Hauzenberg GmbH	1,610	-
Gestamp Solblank Barcelona, S.A.	188	-
Edscha Engineering, GmbH	1,640	-
	<b>87,039</b>	<b>244,183</b>

Additionally, the Company has given its financial commitment to the following companies: Gestamp Vigo, S.A., Gestamp Esmar, S.A., Gestamp Hungría, Kft., Edscha Santander, S.A., Gestamp Argentina, S.A., Gestamp Baires, S.A., Gestamp Córdoba, S.A., Gestamp Tooling Services, AIE., Matricerías Deusto, S.L., Gestamp Autocomponents Chongging, kkt., Gestamp Hardtech, AB., Gestamp Tallent, Ltd., Gestamp Wroclaw, Sp.z.o.o., Gestamp Palau, S.A., GestampTogliatti, Llc, Gestamp Severstal Vsevolozhsk Llc, Gestamp Palencia, S.A., Gestamp Servicios, S.A., Gestamp Levante, S.A., Gestamp Metal Forming, Gestamp Abrera, S.A., MPO Prodivers Rez, S.R.L., Edscha do Brasil, Ltda., Gestamp Griwe Haynrode GmbH and Gestamp Griwe Westerburg GmbH.

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2020

### 19. RELATED PARTY TRANSACTIONS

Related parties with which the Company carried out transactions in 2020 and 2019, and the nature of the relationship, the item and transaction amounts, are as follows:

#### 2020

Nature of the relationship	Finance income (Note 16.1.a)			Revenue from use of trademark and commercial and corporative services	Lease and other income Other operating income (Note 16.1.a)	Intragroup current account and other Finance expenses (Note 16.5)
	Loans and intragroup current accounts	Other items	Dividends	Revenue (Note 16.1.a)		
Acek Desarrollo y Gestión Industrial, S.L.	Group parent	-	-	-	-	1,459,074
Adral Matricería y Puesta a Punto, S.L.	Group Company	-	-	-	15,000	-
Almussafes Mantenimiento de Troqueles, SLU	Group Company	-	-	-	15,000	-
Automated Joining Solutions, S.L.	Group Company	2,884	-	-	-	-
Autotech Engineering France, S.A.S.	Group Company	133	-	-	-	-
Autotech Engineering R&D USA Inc.	Group Company	-	37,466	-	-	-
Autotech Engineering Spain, S.L.	Group Company	12	-	-	-	-
Beyçelik Gestamp Otomotiv, A.S.	Group Company	-	-	812,045	-	-
Beyçelik Gestamp SASI Otomotive	Group Company	-	-	448,795	-	-
Beyçelik Gestamp Teknoloji VE	Group Company	-	-	1,050	-	-
Çelik Form Gestamp Otomotive, A.S.	Group Company	-	-	123,934	-	-
Diede Die Developments, S.L.	Group Company	573	-	-	15,000	-
Edscha Automotive Hengersberg, GMBH	Group Company	-	-	-	-	27,426
Edscha Automotive Michigan	Group Company	32,785	-	-	-	-
Edscha Automotive SLP, S.A.P.I de C.V.	Group Company	14,303	-	-	-	-
Edscha Burgos SL	Group Company	-	2,933	-	-	-
Edscha Santander SA	Group Company	-	2,030	-	-	-
Edscha Hengersberg Real Estate, Gmb	Group Company	-	-	-	-	6,273
Gestamp 2008, S.L.	Group Company	-	-	-	-	241,351
Edscha Holding GMBH	Group Company	3,946,268	-	-	-	-
Edscha Kunshan, Co. Ltd.	Group Company	107,378	-	-	-	-
Gestamp Abrera, S.A.	Group Company	648,889	2,000	384,346	15,000	-
Gestamp Aguascalientes, S.A. de C.V.	Group Company	10,468	-	-	-	-
Gestamp Aragón, S.A.	Group Company	606,744	-	297,405	15,000	-
Gestamp Auto Components (Chongqing) Co.	Group Company	-	-	103,516	-	-
Gestamp Auto Components (Dongguan) Co., Ltd.	Group Company	-	-	270,434	-	-
Gestamp Auto Components KunshanCo., Ltd.	Group Company	-	-	242,865	-	-
Gestamp AutoComponents (Shenyang) Co., Ltd.	Group Company	-	-	455,668	-	-
Gestamp Automotive Chennai Private Ltd.	Group Company	-	3,436,121	353,913	-	-
Gestamp Autotech Japan, LTD.	Group Company	25,000	-	-	-	-
Gestamp Aveiro, Lda.	Group Company	-	24,773	79,929	-	-
Gestamp Bizkaia, S.A.	Group Company	-	11,861	808,912	15,000	-
Gestamp Beyçelik Romania, SRL	Group Company	204,364	-	-	-	-
Gestamp Brasil Ind Aut SA	Group Company	-	-	1,842,432	-	-
Gestamp Cerveira, Lda.	Group Company	1,280,403	1,979	20,554	-	-
Gestamp Chattanoogao II, LLC	Group Company	51,822	368,917	403,112	-	-
Gestamp Chattanoogao, LLC	Group Company	127,829	-	1,097,909	-	-
Gestamp ESMAR, S.A.	Group Company	-	1,711	243,692	15,000	-
Gestamp Etem Automotive Bulgaria, S.A.	Group Company	17,556	-	-	-	-
Gestamp Finance Slovakia, Sro	Group Company	530	-	-	-	-
Gestamp Funding Luxembourg, S.A.	Group Company	981	-	-	-	22,137,456
Gestamp Global Tooling SL	Group Company	1,845,485	1,765	-	-	-
Gestamp Griwe Haynrode GmbH	Group Company	-	-	307,002	-	-
Gestamp Griwe Westerborg GmbH	Group Company	2,977,388	8,288	442,135	-	-
Gestamp Hard Tech AB	Group Company	624,393	109	46,183	-	-
Gestamp Holding Argentina, S.L.	Group Company	14,103	-	-	-	-
Gestamp Holding China AB	Group Company	2,035	-	-	-	-
Gestamp Holding Mexico, S.L.	Group Company	33,426	-	-	-	-
Gestamp Holding Rusia, S.L.	Group Company	725	-	-	-	-
Gestamp Hotstamping Japan, KK	Group Company	-	-	(58,110)	-	-
Gestamp Hungaria, Kft	Group Company	1,001,991	-	433,812	-	-
Gestamp Ingeniería Europa Sur, S.L.	Group Company	-	729	-	15,000	-
Gestamp Kartek Corporation, Ltd.	Group Company	-	-	257,807	-	-
Gestamp Levante, S.A.	Group Company	675,423	3,660	113,409	15,000	-
Gestamp Linares, S.A.	Group Company	280,387	2,000	60,874	15,000	-
Gestamp Louny, S.r.o.	Group Company	612,388	-	857,879	-	-
Gestamp Manufacturing Autochasis, S.L.	Group Company	-	-	361,040	15,000	-
Gestamp Mason LLC	Group Company	142,519	-	1,198,727	-	-
Gestamp McCalla, Llc	Group Company	143,902	-	1,742,717	-	-
Gestamp Metal Forming (Wuhan) LTD.	Group Company	-	-	103,675	-	-
Gestamp Metalbages, S.A.	Group Company	2,956,942	43,774	439,117	15,000	-
Gestamp Navarra SA	Group Company	660,814	4,072	964,512	15,000	-
Gestamp Nitra S.R.O.	Group Company	657,172	-	(65,196)	-	-
Gestamp North América, Inc.	Group Company	-	93,707	-	-	828,957
Gestamp North Europe Division Services	Group Company	29,946	3,324	-	158,617	-
Gestamp Noury, SAS	Group Company	532,281	-	255,771	-	-
Gestamp Palau; S.A.	Group Company	-	44,482	(45,995)	15,000	-
Gestamp Palencia, S.A.	Group Company	3,260,066	3,417	667,479	15,000	-
Gestamp Polska, Sp.z.o.o.	Group Company	-	378,760	227,662	-	-
Gestamp Puebla II, S.A. de C.V	Group Company	162,038	-	-	-	-
Gestamp Puebla, S.A. de C.V	Group Company	180,818	-	-	-	-
Gestamp Pune Automotive Private, Ltd.	Group Company	-	-	30,043	-	-
Gestamp Ronchamp, SAS	Group Company	21,018	-	281,595	-	-
Gestamp San Luis Potosi SAPI de CV	Group Company	46,152	-	-	-	-
Gestamp Servicios, S.A.	Group Company	12,963,060	12,866	13,206,922	332,103	-
Gestamp Severstal Kaluga, LLC	Group Company	-	161,312	-	-	-
Gestamp Severstal Vsevolozhsk LLC.	Group Company	448,227	-	-	-	-
Gestamp Solblank Barcelona, S.A.	Group Company	113,185	778	9,812	15,000	-
Gestamp Solblank Navarra, S.A.	Group Company	-	-	-	15,000	-
Gestamp Sorocaba Indústria de Autopeças	Group Company	31,239	-	-	-	-
Gestamp South Carolina, LLC	Group Company	145,038	-	1,713,711	-	-
Gestamp Sweden, Ab	Group Company	2,539,219	-	-	-	-
Gestamp Tallent Ltd.	Group Company	4,144,129	-	2,170,456	-	-
Gestamp Technology Institute, S.L.	Group Company	83	2,723	-	-	-
Gestamp Toledo, S.A.	Group Company	13,463	8,045	219,407	15,000	-
Gestamp Toluca, S.A. de C.V.	Group Company	69,751	-	-	-	-
Gestamp Tool Hardening, S.L.	Group Company	-	1,290	-	-	-
Gestamp Tooling Erandio, S.L.	Group Company	93,635	1,283	-	-	-
Gestamp Tooling Services, AIE	Group Company	-	304	-	-	-

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2020

	Nature of the relationship	Finance income (Note 16.1.a)			Revenue from use of trademark and commercial services	Lease and other income	Intragroup current account and other Finance expenses (Note 16.5)
		Loans and intragroup current accounts	Other items	Dividends	Revenue (Note 16.1.a)	Other operating income (Note 16.1.a)	
Gestamp Try Out Services, S.L.	Group Company	53,298	-	-	-	-	-
Gestamp Umformtechnik GMBH	Group Company	-	101,030	-	1,900,403	-	-
Gestamp Vendas Novas Unip. Lda.	Group Company	-	-	-	231,835	-	-
Gestamp Vigo, S.A.	Group Company	155,619	2,952	-	515,961	1,762,785	-
Gestamp Washington UK Limited.	Group Company	70,694	-	-	111,211	-	-
Gestamp Washtenaw, LLC	Group Company	69,849	-	-	496,328	-	-
Gestamp West Virginia LLC	Group Company	214,660	-	-	925,488	-	-
Gestamp Wrocław Sp. Z.o.o.	Group Company	1,227,984	8,216	-	93,021	-	-
Gestión Global Matricería, S.L.	Group Company	217,567	-	-	-	-	-
Global Láser Araba, S.L.	Group Company	-	262	-	-	-	-
GMF Holding GMBH	Group Company	3,528,591	-	-	-	-	-
Gonvarri Industrial Centro de Servicios, S.L.	Group Company	-	-	-	-	3,908,470	-
Gonvarri Valencia, S.A.	Group Company	-	-	-	-	166,768	-
Gonvauto Galicia, S.A.	Group Company	-	-	-	-	40,774	-
Gonvauto Navarra, S.A.	Group Company	-	-	-	-	57,460	-
Gonvauto, S.A.	Group Company	-	-	-	-	8,635	-
Ingeniería Global Metalbages, S.A.	Group Company	-	-	-	-	15,000	-
Inmobiliaria Acek SL	Group Company	-	(67)	-	-	-	-
Loire SA Franco Española	Group Company	413,986	48,140	-	-	15,000	-
Matricería Deusto, S.I.	Group Company	222,258	1,550	-	-	15,000	-
Prisma SAS	Group Company	290,007	-	-	105,995	-	-
Reparaciones Industriales Zaldibar	Group Company	33,023	40	-	-	-	-
Sofedit SAS	Group Company	5,597	10,729	-	1,331,180	-	-
Tuyauto Gestamp Morocco	Group Company	21,963	-	-	-	-	-
Todlem, S.L.	Group Company	127,600	-	-	-	-	-
<b>Total</b>		<b>51,154,059</b>	<b>4,839,331</b>	<b>1,181,100</b>	<b>39,644,379</b>	<b>6,750,612</b>	<b>24,700,537</b>

## 2019

	Nature of the relationship	Finance income (Note 16.1.a)			Revenue from use of trademark and commercial services	Lease and other income	Intragroup current account and other Finance expenses (Note 16.5)
		Loans and intragroup current accounts	Other items	Dividends	Revenue (Note 16.1.a)	Other operating income (Note 16.1.a)	
Acek Desarrollo y Gestión Industrial, S.L.	Group parent	-	-	-	-	-	1,535,413
Adral Matricería y Puesta a Punto, S.L.	Group Company	5,130	-	-	-	15,000	-
Almussafes Mantenimiento de Troqueles, SLU	Group Company	-	-	-	-	15,000	-
Automated Joining Solutions, S.L.	Group Company	61	-	-	-	-	-
Autotech Engineering R&D UK Limited	Group Company	38,067	-	-	-	-	-
Autotech Engineering R&D USA Inc.	Group Company	-	32,443	-	-	-	-
Autotech Engineering Spain, S.L.	Group Company	1,783	-	-	-	-	-
Autotech Engineering, GMBH	Group Company	14,618	-	-	-	-	-
Autotech Engineering, S.L.	Group Company	556	-	-	-	-	-
Beyçelik Gestamp Otomotiv, A.S.	Group Company	-	-	-	1,117,114	-	-
Beyçelik Gestamp SASI Otomotive	Group Company	-	-	-	633,193	-	-
Beyçelik Gestamp Teknoloji VE	Group Company	-	-	-	9,467	-	-
Çelik Form Gestamp Otomotive, A.S.	Group Company	-	-	-	61,278	-	-
Diede Die Developments, S.L.	Group Company	-	-	-	-	15,000	-
Edscha Automotive Hengersberg, GMBH	Group Company	-	-	-	-	-	27,426
Edscha Automotive Hauzenberg, GmbH	Group Company	-	-	-	-	-	31,094
Edscha Automotive Michigan	Group Company	89,605	-	-	-	-	-
Edscha Burgos SL	Group Company	-	1,646	-	-	-	-
Edscha Hengersberg Real Estate, Gmb	Group Company	-	-	-	-	-	6,273
Edscha Hauzenberg Real Estate, GmbH	Group Company	-	-	-	-	-	5,056
Gestamp 2008, S.L.	Group Company	-	-	-	-	-	240,692
Edscha Holding GMBH	Group Company	5,137,764	-	-	-	-	14
Gestamp Abrera, S.A.	Group Company	194,667	-	130,260	445,621	15,000	-
Gestamp Aguascalientes, S.A. de C.V.	Group Company	60,135	-	-	-	-	-
Gestamp Aragón, S.A.	Group Company	971,007	-	185,370	163,973	15,000	-
Gestamp Auto Components (Chongqing) Co.	Group Company	-	-	-	92,492	-	-
Gestamp Auto Components (Dongguan) Co., Ltd.	Group Company	-	-	-	291,293	-	-
Gestamp Auto Components KunshanCo., Ltd.	Group Company	-	-	-	667,930	-	-
Gestamp AutoComponents (Shenyang) Co., Ltd.	Group Company	-	-	-	743,345	-	-
Gestamp Automotive Chennai Private Ltd.	Group Company	-	4,016,973	-	402,870	-	-
Gestamp Autotech Japan, LTD.	Group Company	25,000	-	-	-	-	-
Gestamp Aveiro, Lda.	Group Company	-	26,888	-	64,191	-	-
Gestamp Bizkaia, S.A.	Group Company	700,205	4,368	-	1,045,886	15,000	-
Gestamp Brasil Ind Aut SA	Group Company	-	-	-	1,710,462	-	-
Gestamp Cerveira, Lda.	Group Company	1,316,571	3,400	1,515,829	(518)	-	-
Gestamp Chattanooga II, LLC	Group Company	241,947	-	-	225,369	-	-
Gestamp Chattanooga, LLC	Group Company	285,328	-	-	936,673	-	-
Gestamp ESMAR, S.A.	Group Company	-	1,187	-	303,018	15,000	-
Gestamp Finance Slovakia, Sro	Group Company	1,669,423	-	-	-	-	-
Gestamp Funding Luxembourg, S.A.	Group Company	-	-	-	-	-	22,008,436
Gestamp Global Tooling SL	Group Company	1,857,184	-	-	-	-	-
Gestamp Grnwe Haynrode GmbH	Group Company	(164,501)	-	-	492,290	-	-
Gestamp Grnwe Westerburg GmbH	Group Company	3,082,959	5,730	-	440,643	-	-
Gestamp Hard Tech AB	Group Company	1,157,389	278	-	154,531	-	46
Gestamp Holding Argentina, S.L.	Group Company	13,708	-	-	-	-	-
Gestamp Holding China AB	Group Company	2,002	-	-	-	-	-
Gestamp Holding Mexico, S.L.	Group Company	33,335	-	-	-	-	-
Gestamp Holding Rusia, S.L.	Group Company	616	-	-	-	-	-
Gestamp Hotstamping Japan, KK	Group Company	-	-	-	156,324	-	-
Gestamp Hungaria, Kft	Group Company	1,028,151	-	-	400,517	-	-
Gestamp Ingeniería Europa Sur, S.L.	Group Company	-	-	-	-	15,000	-
Gestamp Kartek Corporation, Ltd.	Group Company	-	-	-	386,925	-	-
Gestamp Levante, S.A.	Group Company	461,851	-	-	1,255	15,000	-
Gestamp Linares, S.A.	Group Company	311,627	515	-	52,296	15,000	-
Gestamp Louny, S.r.o.	Group Company	508,707	-	-	649,922	-	-
Gestamp Manufacturing Autochasis, S.L.	Group Company	-	-	158,316	218,242	15,000	-
Gestamp Mason LLC	Group Company	412,951	-	-	999,896	-	-
Gestamp McCalla, Lic	Group Company	391,239	-	-	1,181,032	-	-
Gestamp Metal Forming (Wuhan) LTD.	Group Company	-	-	-	264,071	-	-
Gestamp Metalbages, S.A.	Group Company	4,964,444	100,284	102,428,976	369,553	15,000	-
Gestamp Navarra SA	Group Company	558,165	-	18,870,228	900,935	15,000	-
Gestamp Nitra S.R.O.	Group Company	816,897	-	-	33,037	-	-

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2020

Nature of the relationship	Finance income (Note 16.1.a)			Revenue from use of trademark and commercial services	Lease and other income	Intragroup current account and other	
	Loans and intragroup current accounts	Other items	Dividends	Revenue (Note 16.1.a)	Other operating income (Note 16.1.a)	Finance expenses (Note 16.5)	
Gestamp North América, Inc.	Group Company	-	38,903	-	-	326,877	
Gestamp North Europe SL	Group Company	51,436	-	-	158,617	-	
Gestamp Noury, SAS	Group Company	886,941	-	-	-	-	
Gestamp Palau; S.A.	Group Company	169,460	42,263	-	578,400	15,000	
Gestamp Palencia, S.A.	Group Company	3,317,811	-	16,999,893	182,355	15,000	
MPO Prodívvers Resistente S.R.L.	Group Company	157,907	-	-	-	-	
Gestamp Polska, Sp.z.o.o.	Group Company	-	606,607	-	186,158	-	
Gestamp Puebla II, S.A. de C.V	Group Company	554,237	-	-	-	-	
Gestamp Puebla, S.A. de C.V	Group Company	603,634	-	-	-	-	
Gestamp Pune Automotive Private, Ltd.	Group Company	-	-	-	(41,839)	-	
Gestamp Ronchamp, SAS	Group Company	99,321	-	-	279,834	-	
Gestamp San Luis Potosí SAPI de CV	Group Company	20,560	-	-	-	-	
Gestamp Servicios, S.A.	Group Company	21,269,804	5,246	9,999,990	8,870,159	435,040	
Gestamp Severstal Kaluga, LLC	Group Company	-	217,028	-	-	-	
Gestamp Severstal Vsevolozhsk LLC.	Group Company	760,883	-	-	-	-	
Gestamp Solblank Barcelona, S.A.	Group Company	30,024	-	-	24,070	15,000	
Gestamp Solblank Navarra, S.A.	Group Company	-	-	-	-	15,000	
Gestamp South Carolina, LLC	Group Company	466,038	195,000	-	1,660,238	-	
Gestamp Sweden, Ab	Group Company	2,504,319	-	-	-	(17)	
Gestamp Tallent Ltd.	Group Company	4,290,058	-	-	2,198,267	138	
Gestamp Technology Institute, S.L.	Group Company	983	1,633	-	-	-	
Gestamp Toledo, S.A.	Group Company	34,421	4,885	-	101,513	15,000	
Gestamp Toluca, S.A. de C.V.	Group Company	271,689	-	-	-	-	
Gestamp Tooling Erandio, S.L.	Group Company	106,228	-	-	-	-	
Gestamp Try Out Services, S.L.	Group Company	88,998	-	-	-	-	
Gestamp Umformtechnik GMBH	Group Company	-	100,938	-	2,098,383	-	
Gestamp Vendas Novas Unip. Lda.	Group Company	-	-	-	223,767	-	
Gestamp Vigo, S.A.	Group Company	155,667	127	-	118,608	1,762,785	
Gestamp Washington UK Limited.	Group Company	810,541	-	-	160,935	-	
Gestamp Washtenaw, LLC	Group Company	63,961	-	-	199,779	-	
Gestamp West Virginia LLC	Group Company	739,800	-	-	705,304	-	
Gestamp Wrocław Sp. Z.o.o.	Group Company	1,260,388	7,447	-	129,195	-	
Gestión Global Matricería, S.L.	Group Company	175,439	-	-	-	-	
Global Láser Araba, S.L.	Group Company	-	280	-	-	-	
GMF Holding GMBH	Group Company	3,516,120	-	-	-	-	
Ingeniería Global Metalbages, S.A.	Group Company	-	-	-	-	15,000	
Inmobiliaria Acek SL	Group Company	-	2,312	-	-	-	
Loire SA Franco Española	Group Company	500,668	12,947	-	-	15,000	
Matricerías Deusto, S.I.	Group Company	243,489	-	-	-	15,000	
Prisma SAS	Group Company	341,545	-	-	143,658	-	
Reparaciones Industriales Zaldibar	Group Company	3,612	172	-	-	-	
Sofedit SAS	Group Company	25,780	952	-	1,430,027	-	
Tuyauto Gestamp Morocco	Group Company	9,828	-	-	-	-	
Todtem, S.L.	Group Company	115,501	-	-	-	-	
<b>Total</b>		<b>69,835,682</b>	<b>5,430,452</b>	<b>150,288,862</b>	<b>35,243,517</b>	<b>2,671,442</b>	<b>24,181,467</b>



# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2020

Nature of the relationship	Intragroup current account		Loans and others		Non-current receivables (Note 9)	Current receivables		Non-current payables (Note 9)	Current payables		Non-current payables (Note 19.3)	Interest and other Debtors (note 19.2) (a)	Creditors (b)
	Payables (Note 9)	Receivables (Note 19.3)	Debt Securities	Current receivables (Note 19.2) (a)		Current payables (b)	Non-current payables (Note 19.3)						
Gestamp Puebla II, SA de CV	3,697,468	1,724,904	-	-	-	-	-	-	-	-	-	27,835	-
Gestamp Pochi, SA de CV	3,611,403	7,065,469	-	-	-	-	-	-	-	-	-	47,614	-
Gestamp Pochi, S.A.S	-	8,138,640	-	-	-	-	-	-	-	-	-	21,018	-
Gestamp San Luis Potosí SAPI de CV	-	90,210,979	-	-	-	-	-	-	-	-	-	25,519	-
Gestamp Servicios, S.A.	129,485,517	-	-	52,500,000	85,839,514	-	-	-	-	-	-	39,579,032	19,380
Gestamp Sorocaba Industria de Autopeças	2,369,965	-	-	-	-	-	-	-	-	-	-	26,553	-
Gestamp Severstal Vesvolozhsk LLC	-	-	-	-	13,777,456	-	-	-	-	-	-	339,232	-
Gestamp Solblank Barcelona, S.A.	-	-	-	3,425,493	10,700,000	-	-	-	-	-	-	200,463	-
Gestamp South Carolina, LLC	-	16,689,480	-	-	-	-	-	-	-	-	-	31,743	-
Gestamp Sungwoo Hitech (CHENNAI)	-	10,772,400	-	-	28,904,254	-	-	-	-	-	-	635,272	-
Gestamp Sweden, AB	-	30,262,982	-	22,235,925	190,389,186	-	-	-	-	-	-	11,477,513	-
Gestamp Tallent, Ltd.	-	2,126	-	17,395,962	-	-	10	-	-	-	-	5,902,958	-
Gestamp Tech SL	-	505,680	-	-	-	-	-	-	-	-	-	-	628
Gestamp Technology Institute, S.L.	-	18,822,714	-	-	-	-	-	-	-	-	-	11,705	-
Gestamp Toledo, S.A.	-	3,691,364	-	-	-	-	-	-	-	-	-	177	-
Gestamp Toluca, S.A. de C.V.	566,223	-	-	-	-	-	-	-	-	-	-	80	-
Gestamp Tool Hardening SL	-	18,218,606	-	-	-	-	-	-	-	-	-	53,288	-
Gestamp Tooling Services, AIE	-	-	-	-	-	-	-	-	-	-	-	12,340	-
Gestamp Try Out Services, S.L.	5,343,506	-	-	-	-	-	-	-	-	-	-	-	-
Gestamp Uniformtechnik GMBH	-	156,123,300	-	-	-	-	-	-	-	-	-	-	-
Gestamp Verdas Novas, Lda.	-	19,756,835	-	-	-	-	-	-	-	-	-	-	-
Gestamp Vigo, S.A.	-	57,715,159	-	4,783,381	-	-	-	-	16,123	-	-	-	-
Gestamp Washington UK Limited	7,657,026	-	-	-	-	-	-	-	-	-	-	126,112	-
Gestamp Washenaw, LLC	-	5,290,832	-	-	-	-	-	-	-	-	-	70,694	-
Gestamp West Virginia, LLC	-	2,905,005	-	-	52,612,900	-	-	-	-	-	-	16,038	-
Gestamp Woodaw SP, Z.O.O	-	-	-	4,500,000	-	-	-	-	-	-	-	19,469	-
Gestamp-Severstal-Khaluga, LLC	-	-	-	-	-	-	-	-	-	-	-	5,098,196	-
Gestamp Global Matriceria, S.L.	-	-	-	21,400,000	-	-	-	-	-	-	-	25,733	-
GIF Holding GmbH	133,366,381	-	-	-	124,055,708	-	-	-	-	-	-	452,831	-
Industria Acek, S.L. Licitia	-	-	-	-	-	-	-	-	-	293,470	-	3,526,391	-
Marie S.A. Dico Estrela	97,090,617	2,824	-	-	132,689	-	-	-	-	-	-	(139)	-
Marek Dzialowski Sp. z o.o.	29,010,376	-	-	-	-	-	-	-	-	-	-	416,344	-
MPO Produções Resistente S.R.L.	-	-	-	18,240,658	-	-	-	-	-	-	-	222,322	-
Musolar 21, S.L.	-	56,428,770	-	-	-	-	-	-	-	-	-	440,809	-
Prisma SAS	24,276,629	3,185,780	-	-	-	-	-	-	-	-	-	290,007	-
Reparaciones Industriales Zaldibar	4,544,714	-	-	-	-	-	-	-	-	-	-	33,010	-
Sofefit SAS	-	105,477,441	-	-	-	-	-	-	-	-	-	8,045	-
Sungwoo Gestamp Hitech (Chemai)	-	-	-	-	-	-	-	-	-	-	-	120,010	-
Tollern, S.L.	12,757,043	-	-	-	-	-	-	-	-	-	-	103,356	-
Tuyauto Gestamp Morocco	-	-	-	8,589,240	-	-	-	-	-	-	-	32,248	-
<b>Total</b>	<b>998,687,303</b>	<b>1,335,910,214</b>	<b>30,635,000</b>	<b>306,449,093</b>	<b>895,922,427</b>	<b>66,008,488</b>	<b>519,612,338</b>	<b>108,675,988</b>	<b>447,179</b>				

(a) Short-term investments in group companies and associates. Loans to associated companies

(b) Current Liabilities - Payable to Group companies and Associates

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2020

2019.

	Intragroup current account		Loans and others		Non-current receivables (Note 9)	Current receivables (Note 19.2) (a)	Current payables (b)	Non-current payables (Note 19.3)	Interest and other Debtors (nota 19.2) (a)	Creditors (b)			
	Nature of the relationship	Payables (Note 9)	Receivables (Note 19.3)	Debt Securities							Non-current payables (Note 9)	Current payables (b)	Non-current payables (Note 19.3)
Acck. Desarrollo y Gestión Industrial, S.L.	-	17,960,944	-	-	-	-	1,182,776	21,983,200	-	1,137,917			
Adra Matrioría y Puesta a Punto, S.L.	-	-	-	-	-	-	-	-	5,130	-			
Anhui Edscha Auto Parts Co., L.	-	-	-	-	-	-	-	-	680,908	-			
Automated Joining Solutions, S.L.	-	-	-	-	-	-	-	-	49	-			
Autotech Engineering Deutschland GmbH	-	527,946	-	-	-	-	-	-	14,618	-			
Autotech Engineering France SAS	-	7,383,997	-	-	-	-	-	-	-	-			
Autotech Engineering R&D UK Limited	-	-	-	-	-	-	-	-	38,067	2,455			
Autotech Engineering R&D USA	-	1,514,844	-	-	-	-	-	-	6,319	-			
Autotech Engineering Spain, S.L.	-	14,654,487	-	-	-	-	-	-	1,783	-			
Autotech Engineering AIE	74,681	-	-	-	-	-	-	-	556	-			
Automated Joining Solutions, S.L.	-	532,974	-	-	-	-	-	-	-	-			
Die Die Developments, S.L.	-	6,552,572	-	-	-	-	-	-	16,787	-			
Edscha Automotive Michigan	-	2,831,011	-	-	-	-	-	-	-	-			
Edscha Automotive Hengersberg GmbH	-	-	-	-	-	-	-	-	-	-			
Edscha Hengersberg Real Estate	-	-	-	-	-	-	2,986,000	4,452,579	-	6,273			
Gestamp 2008, S.L.	189,467,418	84,032	-	-	162,454,248	8,000,000	-	-	-	194,960			
Edscha Holding GmbH	-	5,692,858	-	-	-	19,200,000	-	-	-	16			
Edscha Santander, S.A.	-	-	-	-	14,000,000	-	-	-	-	-			
Gestamp Abrera, S.A.	-	-	-	-	-	-	-	-	157,680	-			
Gestamp Aragón SA	-	-	-	-	-	-	-	-	1,221,743	-			
Gestamp Autocomponents Kunshan Co., LTD.	-	-	-	-	-	-	-	-	275,556	-			
Gestamp Auto Tech Japan Co., Ltd.	-	-	-	-	2,500,000	-	-	-	48,889	-			
Gestamp Avero, Lda.	-	-	-	-	-	-	-	-	6,058	-			
Gestamp Baeres, S.A.	-	-	-	-	-	-	-	-	133,426	-			
Bero Tools, S.L.	9,631,203	-	-	-	-	-	-	-	106,228	-			
Gestamp Bizkaia, S.A.	-	296,669,613	-	-	-	-	-	-	700,621	-			
Gestamp Cerveira, S.A.	-	-	-	-	-	-	-	-	6,668,228	-			
Gestamp Chattanooga LLC	-	7,196,684	-	-	-	-	-	-	34,763	76			
Gestamp Chattanooga II, LLC	-	1,038,760	-	-	-	-	-	-	18,417	-			
Gestamp Córdoba, S.A.	-	-	-	-	-	-	-	-	582,464	-			
Gestamp Finance Slovakia, S.r.o.	-	73,685,520	-	-	-	66,000,000	-	490,305,805	1,689,423	-			
Gestamp Funding Luxembourg, S.A.	-	1,288,021	-	-	-	-	(3,642,956)	-	1,857,184	-			
Gestamp Global Tooling, S.L.	280,067,223	71,530,099	-	-	-	21,400,000	-	-	260,376	-			
Gestamp Global Matriceria, S.L.	-	-	-	-	-	-	-	-	-	-			
Gestamp Global Laser Araba, S.L.	-	-	-	-	-	-	-	-	-	-			
Gestamp Grive Haynrode GmbH	-	-	-	-	105,975,405	-	-	-	-	-			
Gestamp Grive Westerburg GmbH	-	-	-	-	-	-	-	-	-	-			
Gestamp West Virginia, LLC	66,992,173	315	-	-	-	3,585,000	-	-	2,887,343	-			
Gestamp Hard Tech AB	-	14,099,958	-	-	-	-	-	-	118,601	-			
Gestamp Holding Argentina, S.L.	33,081,845	-	-	-	4,452,750	-	-	-	1,157,666	-			
Gestamp Holding China, AB	988,438	-	-	-	-	-	-	-	11,104	-			
Gestamp Holding Mexico, S.L.	184,214	-	-	-	-	-	-	-	2,002	-			
Gestamp Holding Russia, S.L.	3,333,475	422,922	-	-	-	-	-	-	27,001	-			
Gestamp Hot Stamping-CO LTD	70,964	-	-	-	-	-	-	-	499	-			
Gestamp Hot Stamping-KT	7,352,388	-	-	-	-	-	-	-	341,750	-			
Gestamp Levante, S.A.	-	1,636,763	-	-	-	20,665,415	-	-	461,851	-			
Gestamp Linares, S.A.	1,627,154	-	-	-	-	10,678,631	-	-	401,673	-			
Gestamp Louny, S.r.o.	63,911,332	1,225,635	-	-	8,374,626	-	-	-	508,707	-			
Gestamp Mason LLC	-	10,636,179	-	-	-	-	-	-	48,507	-			
Gestamp McCalla, LLC	-	8,826,175	-	-	-	-	-	-	40,874	-			
Gestamp Metalabages, S.A.	-	15,986,876	-	-	-	-	-	-	5,694,764	-			
Gestamp Navarra, S.A.	116,910,952	44,223,810	-	-	57,000,000	-	-	-	1,220,508	-			
Gestamp Nirra, SRO	69,293,449	-	-	-	-	-	-	-	816,897	-			
Gestamp Puebla, SA de CV	5,219,359	-	-	-	-	-	-	-	43,066	-			
Gestamp Puebla II, SA de CV	10,939,024	791,579	-	-	-	-	-	-	19,154	-			
Gestamp North America, Inc.	22,263,750	32,128,670	-	-	-	-	-	-	10,188	404,730			

# GESTAMP AUTOMOCIÓN, S.A.

## Notes to the financial statements for the year ended December 31, 2020

Nature of the relationship	Intragroup current account		Loans and others		Non-current receivables (Note 9)	Non-current payables (Note 9)	Current receivables (Note 19.2) (a)	Current payables (b)	Non-current payables (Note 19.3)	Interest and other Debtors (nota 19.2) (a)	Creditors (b)
	Payables (Note 9)	Receivables (Note 19.3)	Debt	Securities							
Gestamp North Europe SL	-	3,358,502	-	-	-	-	-	-	-	51,436	813
Gestamp Noury, S.A.S.	4,790,537	-	-	-	-	-	25,209,453	-	-	866,941	-
Gestamp Paiou, S.A.	-	-	-	-	-	-	-	-	-	-	-
Gestamp Paicau, S.A.	33,376,672	26,435,024	-	-	21,691,241	-	69,698,077	-	-	3,209,626	-
MPO Prodivers Rezilient S.R.L.	-	134,310	-	-	-	-	17,115,000	-	-	236,445	-
Gestamp Polska, Sp.z.o.o.	-	406,278	-	-	-	-	-	105,642,553	-	251,640	-
Gestamp Ronchamp, S.A.S.	3,927,760	2,379,066	-	-	-	-	-	-	-	99,321	-
Gestamp San Luis Potosí SAPI de CV	901,247,015	7,317,798	-	-	85,939,514	-	83,525,525	-	-	18,504	271
Gestamp Servicios, S.A.	-	52,636,183	-	-	13,777,456	-	-	-	-	339,232	-
Gestamp Severstal Vsevolozhsk LLC.	-	-	-	-	-	-	-	-	-	27,327	-
Gestamp Severstal-Kalluga, LLC	-	-	-	-	10,700,000	-	3,425,492	-	-	200,212	-
Gestamp Solblank Barcelona, S.A.	-	31,645,675	-	-	-	-	-	-	-	172,511	-
Gestamp South Carolina, LLC	-	13,587,056	-	-	42,049,254	-	9,090,925	-	-	8,938,294	-
Gestamp Sweden, AB	-	-	-	-	-	-	-	-	-	607,118	-
Gestamp Tallent, Ltd.	24,523,752	-	-	-	190,389,186	-	17,395,962	-	-	5,872,511	-
Gestamp Tech SL	-	2,126	-	-	-	-	-	-	-	-	10
Gestamp Technology Institute, S.L.	190,348	-	-	-	-	-	-	-	-	983	-
Gestamp Toledo, S.A.	3,234,844	2,049,231	-	-	-	-	-	-	-	28,894	-
Gestamp Toluca, S.A. de C.V.	697,900	1,168,098	-	-	-	-	-	-	-	21,637	-
Gestamp Tool Hardening SL	-	-	-	-	-	-	-	-	-	-	-
Gestamp Tooling Services, AIE	-	20,114,929	-	-	-	-	-	-	-	-	-
Gestamp Try Out Services, S.L.	7,417,585	-	-	-	-	-	-	-	-	-	-
Gestamp Uniformtechnik GMBH	12,508,508	139,853,528	-	-	-	-	-	-	-	88,998	-
Todtem, S.L.	-	-	-	-	-	-	-	-	-	12,340	-
Gestamp Vigo, S.A.	7,133,015	37,691,491	-	-	-	-	4,783,382	-	-	93,556	-
Gestamp Washington Uk Limited	-	-	-	-	-	-	-	-	-	126,125	-
Gestamp Washenaw, LLC	-	6,483,290	-	-	-	-	-	-	-	810,541	16,123
Gestamp Wroclaw SP. Z.O.O	-	17,211,318	-	-	62,162,900	-	4,500,000	-	-	27,015	-
Gestamp Vendas Novas, Lda.	-	-	-	-	-	-	-	-	-	4,606,611	-
GMF Holding GMBH	132,674,273	-	-	-	124,055,708	-	-	-	-	-	-
Gestamp Aguas Calientes, SA de CV	1,521,694	-	-	-	-	-	-	-	283,470	-	-
Inmobiliaria Acek, S.L.	39,140,642	956,414	-	-	-	-	-	-	-	3,981	-
Loire SA Franco Española	22,970,803	-	-	-	132,689	-	-	-	-	502,642	-
Matricerías Deusto, S.L.	-	56,428,770	-	-	-	-	-	-	-	243,489	-
Mursolar 21, S.L.	32,169,540	3,525,694	-	-	-	-	-	-	-	341,545	-
Prisma SAS	1,980,896	-	-	-	-	-	-	-	-	3,784	-
Reparaciones Industriales Zalibar	-	42,180,887	-	-	-	-	-	-	-	26,732	-
Sofedit SAS	-	-	-	-	-	-	-	-	-	129,557	-
Sungwoo Gestamp Hitech (Chennai)	-	-	-	-	-	-	-	-	-	3,203,257	-
Gestamp Automotive Chennai Private, Ltd.	-	-	-	-	-	-	-	-	-	10,285	-
Tuyauto Gestamp Morocco	-	-	-	-	-	-	2,089,240	-	-	-	-
<b>Total</b>	<b>2,110,934,826</b>	<b>1,111,710,745</b>	<b>34,347,500</b>	<b>34,347,500</b>	<b>903,154,977</b>	<b>522,984,601</b>	<b>106,148,373</b>	<b>517,015,054</b>	<b>108,679,454</b>	<b>4,126,830</b>	<b>-</b>

(a) Short-term investments in group companies and associates. Loans to associated companies

(b) Current Liabilities - Payable to Group companies and Associates



## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

#### 19.1 Loans to companies

The Company recognized the following non-current loans to group companies at December 31, 2020 and 2019:

	Loan Type	Grant date	Initial amount in euros or limit of the facility	Outstanding balance at 31/12/2020 (€)	Outstanding balance at 31/12/2019 (€)	Maturity	Interest rate 2020	Accrued interest receivable, 2020	Accrued interest receivable, 2019
Gestamp Palencia, S.A.	Financial Loan	2017	21,691,241	21,691,241	21,691,241	21/12/2023	3.20%	1,797,933	1,092,244
Gestamp Linares, S.A.	Financial Loan	2017	6,199,826	6,199,826	6,199,826	21/12/2023	3.20%	513,888	369,341
Gestamp Solblank Barcelona, S.A.	Financial Loan	2005	2,174,800	-	2,174,800	31/12/2021	3.20%	108,784	108,783
	Financial Loan	2017	10,700,000	10,700,000	10,700,000	21/12/2023	(e)	32,571,939	27,860,730
	Credit Line	2013	59,770,026	59,770,026	59,770,026	07/02/2023	6.55%	6,676,481	7,389,923
Gestamp Servicios, S.A.	Financial Loan	2016	1,069,488	1,069,488	1,069,488	31/12/2026	2.00%	6,137,179	4,428,980
	Financial Loan	2017	25,100,000	25,100,000	25,100,000	21/12/2023	3.20%	71,575	77,923
Gestamp Sweden	Financial Loan	2011	13,145,000	-	13,145,000	30/03/2021	7.00%	2,143,128	2,140,906
	Financial Loan	2013	30,000,000	28,904,254	28,904,254	21/07/2023	3.20%	1,828,487	1,221,743
Gestamp Metalbages, S.A.	Financial Loan	2020	65,000,000	65,000,000	65,000,000	02/01/2023	3.20%	1,502,585	2,815,085
	Financial Loan	2017	57,000,000	57,000,000	57,000,000	21/12/2023	(e)	2,322	4,526,628
Gestamp Hardtech AB	Financial Loan	2009	-	4,090,000	4,452,750	09/07/2023	1.75%	339,232	3807,784
	Financial Loan	2013	1,218,463	1,218,463	1,218,463	31/12/2022	1.75%	525,600	-
Gestamp Griwe	Financial Loan	2017	40,000,000	40,000,000	40,000,000	26/12/2022	2.00%	96,640	-
	Financial Loan	2016	64,756,942	64,756,942	64,756,942	31/12/2026	2.00%	60,294,532	58,352,699
Gestamp Aragón SA	Financial Loan	2017	14,000,000	14,000,000	14,000,000	21/12/2023	(e)	-	-
	Financial Loan	2013	75,000,000	-	75,000,000	25/07/2023	1.75%	-	-
Edscha Holding GMBH	Credit Line	2017	10,000,000	9,000,000	9,000,000	12/09/2023	2.00%	-	-
	Credit Line	2017	9,000,000	9,000,000	9,000,000	04/09/2022	2.00%	-	-
	Financial Loan	2016	69,454,248	69,454,248	69,454,248	31/12/2026	2.00%	-	-
GMF Holding GMBH	Financial Loan	2013	85,076,590	85,076,590	85,076,590	31/12/2022	1.75%	-	-
	Financial Loan	2018	38,979,117	38,979,117	38,979,117	17/05/2023	1.75%	-	-
Loire S.A.F.E.	Financial Loan	2013	132,689	132,689	132,689	31/12/2022	1.75%	-	-
Gestamp Wroclaw Sp.z.o.o.	Credit Line	2016	52,612,300	52,612,300	62,162,900	31/12/2024	1.75%	-	-
Gestamp Severstal Vsevolozhsk LLC.	Financial Loan	2016	14,975,330	13,777,456	13,777,456	30/03/2022	3.20%	-	-
Gestamp Tallent Ltd.	Financial Loan	2016	190,389,187	190,389,187	190,389,187	31/12/2026	2.00%	-	-
Gestamp Abrera, S.A.	Financial Loan	2020	20,000,000	20,000,000	20,000,000	02/01/2023	3.20%	-	-
Edscha Automotive Components Kunshan	Financial Loan	2020	8,000,000	8,000,000	8,000,000	30/09/2023	3.20%	-	-
<b>TOTAL</b>			<b>895,922,427</b>	<b>903,154,977</b>	<b>903,154,977</b>			<b>60,294,532</b>	<b>58,352,699</b>

(a) Calificated under current at December 31st, 2020

(b) Loan granted in US dollars. The initial amount was US\$5

(c) Canceled in 2020

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

#### 19.2 Loans to Gestamp Group employees

Loans to Gestamp Group employees correspond to loans granted to employees of different subsidiaries of the Gestamp Group for the purchase of shares of Acek Desarrollo y Gestión Industrial, S.L. amounting to 35,381 thousand euros. These loans are guaranteed by the constitution of a pledge on such actions. The main economic conditions of these loans are an interest rate equal to the legal rate of the currency in force for each year, and its duration is of six years from the date of the signing of the loans.

#### 19.3 Current loans and interest receivable

The Company recognized part of the current loans to and interest receivable from group companies in "Current investments in group companies and associates - Loans to companies". The detail of this item at December 31, is as follows:

(€)	2020	2019
Interest and other receivables from group companies	108,679,988	109,879,454
Current loans receivable from group companies	306,449,093	522,984,601
	<b>415,129,081</b>	<b>632,864,055</b>

##### a) Current interest receivable

The breakdown of current interest receivable from group companies is as follows:

(€)	2020	2019
Interest on non-current loans	60,294,532	58,352,599
Interest on current loans	23,738,410	21,913,466
Interest on intragroup current account and other	24,647,046	29,613,389
	<b>108,679,988</b>	<b>109,879,454</b>

## GESTAMP AUTOMOCIÓN, S.A.

### Notes to the financial statements for the year ended December 31, 2020

#### b) Current loans to group companies

The breakdown of current loans to group companies at December 31, 2020 and 2019 is as follows:

Loan Type	Grant date	Initial amount in euros or limit of the facility	Outstanding balance at 31/12/2020 (€)	Outstanding balance at 31/12/2019 (€)	Maturity	Interest rate 2020	Accrued interest receivable, 2020	Accrued interest receivable, 2019
Credit Line	2004	25,000,000	9,248,128	9,248,128	23/09/2020	2.50%	-	-
Financial Loan		-	11,105,540	11,105,540	26/09/2020	6.18%	244,589	244,215
Edscha Holding GmbH	2017	8,000,000	8,000,000	8,000,000	29/12/2020	1.00%	80,000	80,000
Financial Loan	2009	-	75,256	81,931	05/02/2020	6.20%	-	-
Gestamp Hardtech AB	2009	-	2,454,000	2,671,650	26/03/2020	6.20%	159,427	173,093
Gestamp Finance Slovakia, S.r.o.	2015	66,000,000	-	-	31/12/2020	(a)	-	660,000
Gestamp Yigo, S.A.	2005	4,783,381	4,783,381	4,783,381	31/12/2020	3.20%	126,062	125,707
Financial Loan		-	-	-	31/12/2020	(a)	-	-
Participating	2002	6,732,292	-	6,732,292	31/12/2020	(a)	-	-
Participating	2001	2,742,380	-	2,742,380	31/12/2020	(a)	-	-
Participating	2003	1,203,958	-	1,203,958	31/12/2020	(a)	-	-
Gestamp Levante, S.L.	2003	6,000,000	-	6,000,000	31/12/2020	(a)	461,851	461,851
Prestamo financiero	2003	8,000,000	-	8,000,000	31/12/2020	(a)	-	-
Prestamo financiero	2004	3,203,720	-	3,203,720	31/12/2020	(a)	1,669,510	1,220,508
Financial Loan	1999	3,111,492	-	3,111,492	31/12/2020	3.20%	-	-
Credit Line	2001	6,000,000	-	6,000,000	31/12/2020	3.20%	-	-
Financial Loan	1999	6,097,961	-	6,097,961	31/12/2020	3.20%	-	-
Financial Loan	2017	10,000,000	-	10,000,000	31/12/2020	3.20%	-	817,907
Financial Loan	2007	52,500,000	52,500,000	52,500,000	31/12/2020	3.20%	-	-
Gestamp Servicios, S.A.	2004	41,026,525	-	41,026,525	31/12/2020	(a)	3,175,160	4,795,075
Gestamp Solblank Barcelona, S.A.	2004	3,425,493	3,425,493	3,425,493	31/12/2020	3.25%	91,679	91,429
Financial Loan	2019	8,400,000	8,400,000	8,400,000	28/06/2020	1.00%	-	-
Prestamo financiero	2017	13,000,000	13,000,000	13,000,000	13/12/2020	1.00%	452,831	260,376
Gestamp Global Matricaria, S.L.	2017	1,156,852	-	-	31/12/2018	-	530,256	530,256
Financial Loan	2011	3,585,000	3,585,000	3,585,000	30/03/2020	3.20%	88,271	65,655
Gestamp Grnve	2016	4,500,000	4,500,000	4,500,000	01/09/2020	1.50%	22,688	-
Financial Loan	2011	13,145,000	13,145,000	13,145,000	30/03/2021	7.00%	-	-
Financial Loan	2010	12,013,425	9,090,925	9,090,925	29/03/2020	7.00%	4,353,918	1,133,083
Gestamp Sweden, AB	2017	370,000	370,000	370,000	31/01/2020	1.00%	-	-
Financial Loan	2017	20,770,658	17,870,658	16,745,000	10/04/2020	1.00%	440,809	236,445
MPO Prodivers Resistente, SRL	2013	100,000,000	17,385,962	17,385,962	30/06/2020	1.00%	1,935,687	1,738,828
Gestamp Talent, Ltd.	2019	19,200,000	-	-	01/01/2020	0.01	-	157,680
Financial Loan	2019	63,627,566	-	-	01/01/2020	1.00%	-	522,542
Gestamp Metalbagas, S.A.	2004	88,698,078	28,698,078	28,698,078	31/12/2020	3.20%	-	-
Financial Loan	2005	41,000,000	41,000,000	41,000,000	31/12/2020	3.20%	1,836,684	1,831,665
Gestamp Palencia, S.A.	2003	1,803,036	1,803,036	1,803,036	31/12/2020	3.20%	7,887,995	6,665,289
Financial Loan	2014	40,000,000	38,734,596	38,734,596	31/12/2020	3.25%	-	-
Gestamp Cerveira, Lda.	2020	10,000,000	6,500,000	6,500,000	28/06/2021	1.00%	-	-
Credit Line	2018	914,240	914,240	914,240	27/11/2020	1.00%	32,248	10,285
Tuyauto Gestamp Morocco, S.A.	2019	2,089,240	1,175,000	1,175,000	27/11/2020	1%	-	-
Credit Line	2018	2,500,000	2,500,000	2,500,000	11/01/2020	1.00%	73,889	48,889
Gestamp Autotech Japan, K.K	2020	4,000,000	4,000,000	4,000,000	20/05/2021	1.00%	17,566	-
Gestamp Etem Bulgaria, S.A.	2005	2,174,800	-	-	31/12/2021	3.20%	57,310	See long term
Prestamo financiero		-	-	-			23,738,410	21,913,466
<b>TOTAL</b>			<b>306,449,093</b>	<b>522,884,601</b>				

(a) Remuneration consists of an annual percentage of the average balance of the loan

(b) Canceled in 2018

(c) Canceled in 2020

(d) Canceled in 2020

(e) Canceled in 2020

(f) Canceled in 2018

## Notes to the financial statements for the year ended December 31, 2020

### 19.4 Payables to group companies

(€)	2020	2019
Non-current		
Non-current guarantees received	293,470	293,470
Loans payable to group companies (Note 14)	519,318,868	516,721,584
	-	-
Current		
Loans payable to group companies	68,575,148	109,791,329
Payables from current accounts	1,335,910,214	1,111,710,745
Interest payable	880,519	483,874
	<b>1,924,978,219</b>	<b>1,739,001,002</b>

The breakdown of this item at December 31, 2020 and 2019 is as follows:

#### Non-current loans

Company granting the loan	Loan type	Grant date	Initial amount in euros or credit limit	Amount outstanding at 12/31/2020 (€)		Amount outstanding at 12/31/2019 (€)	Maturity	Interest rate 2020
Gestamp Funding Luxembourg, S.A.	Préstamo financiero	2013	500,000,000	494,163,398	(a)	490,305,805	15/05/2023	3.70%
Acek Desarrollo y Gestión Industrial, S.L.	Préstamo financiero	2013	31,060,000	20,702,891	-	21,963,200	31/03/2032	6.60%
Gestamp 2008; S.L	Préstamo financiero	2017	4,452,579	4,452,579	-	4,452,579	22/12/2022	3.20%
			<b>535,512,579</b>	<b>519,318,868</b>		<b>514,261,405</b>		

(a) Loan refinanced in May 2016

Loans with Gestamp Funding Luxembourg, S.A. are related to the bond issue described in Note 14.1.

The loan with Acek Desarrollo y Gestión Industrial, S.L. is related to the acquisition of the GESTAMP trademark described in Note 5.1.

#### Current loans

The breakdown of current loans to group companies at December 31, 2020 and 2019 is as follows:

Company granting the loan	Loan type	Grant date	Initial amount in euros or credit limit	Amount outstanding at 12/31/2020 (€)	Amount outstanding at 12/31/2018 (€)		Maturity	Interest rate 2019
Edscha Holding España	Préstamo financiero	2010	6,000,000	2,966,000	2,966,000		23/12/2020	320.00%
Acek Desarrollo G. I. S.L.	Préstamo financiero	2013	-	2,443,085	1,182,776	(a)	Ver largo plazo	Ver largo plazo
Gestamp Polska, Sp.z.o.o.	Línea de crédito	2004	138,181,935	63,166,063	105,642,553		01/12/2020	417.00%
			<b>141,215,935</b>	<b>68,575,148</b>	<b>110,005,427</b>			

(a) Classified partially under non-current and under current

#### Intragroup current accounts

The Company recognized current accounts held with group companies related to the Gestamp Automoción Group's funding system under "Current investments in group companies and associates - Other financial assets". In 2020, these current accounts earned nominal annual interest of 1% for these whose currency is EUR and 4,005% if the currency is USD (2019: 1% for these whose currency is EUR and 4,005% if the currency is USD).

## Notes to the financial statements for the year ended December 31, 2020

### 19.5 Directors and senior management

On 2020 directors remunerations have been accrued by the amount of € 3,089.95 thousand, as follows:

<b>Director Retribution (000€)</b>	
<b>Non-Executives</b>	
Mr. Alberto Rodríguez Fraile	93.50
Mr. Katsutoshi Yokoi (*)	20.00
Mrs. Concepcion del Rivero Bermejo	68.00
Mr. Gonzalo Urquijo Fernández de Araoz	80.75
Mr. Pedro Sainz de Baranda	80.75
Mr. Javier Rodríguez Pellitero	93.50
Mrs. Ana García Fau	80.75
Mr. Juan María Riberas Mera	80.75
Mr. Tomofumi Osaki	50.81
Mr. Cesar Cernuda	68.00
Mr. Shinichi Hori (*)	20.00
Mr. Norimichi Hatayama	50.81
<b>TOTAL</b>	<b>787.62</b>
<b>Executives</b>	
Mr. Francisco José Riberas Mera	578.65
Mr. Francisco López Peña	1,723.68
<b>TOTAL</b>	<b>2,302.33</b>
<b>TOTAL</b>	<b>3,089.95</b>

(\*) Mr. Katsutoshi Yokoi and Mr. Shinichi Hori left the Board of Directors with effect March 31st, 2020.

Mr. Norimichi Hatayama and Mr. Tomofumi Osaki were appointed members of the Company's Board of Directors on April 1st, 2020.

€13.08 thousand of the previous retributions are life assurances.

Likewise, the loans granted amounted to 3,377 thousand euros. Were granted in 2016 for the purchase of shares of the Parent Company to ACEK Desarrollo y Gestión Industrial, S.L

## Notes to the financial statements for the year ended December 31, 2020

On 2019 directors remunerations have been accrued by the amount of € 2,613.95 thousand, as follows:

<b>Director Retribution (000€)</b>	
<b>Non-Executives</b>	
Mr. Alberto Rodríguez Fraile	110.00
Mr. Katsutoshi Yokoi	59.33
Mrs. Concepcion del Rivero Bermejo	33.78
Mr. Gonzalo Urquijo Fernández de Araoz	95.00
Mr. Pedro Sainz de Baranda	95.00
Mr. Javier Rodríguez Pellitero	110.00
Mrs. Ana García Fau	95.00
Mr. Juan María Riberas Mera	95.00
Mr. Tomofumi Osaki	20.44
Mr. Cesar Cernuda	80.00
Mr. Shinichi Hori	80.00
<b>TOTAL</b>	<b>873.55</b>
<b>Executives</b>	
Mr. Francisco José Riberas Mera	957.30
Mr. Francisco López Peña	783.10
<b>TOTAL</b>	<b>1,740.40</b>
<b>TOTAL</b>	<b>2,613.95</b>

(\* Mr. Tomofumi Osaki left the Board of Directors with effect April 2, 2019.

Likewise, the loans granted amounted to 3,226 thousand euros. Were granted in 2016 for the purchase of shares of the Parent Company to ACEK Desarrollo y Gestión Industrial, S.L

The pension obligations assumed for the Board of Directors in 2019 amounted to 258 thousand euros (2018: 96 thousand euros).

The Company considers as senior management personnel who discharge duties related to the Grouping's general objectives, such as business planning, management and control, autonomously and with full responsibility, limited solely by the criteria and instructions of the Company's legal owners or the governing and management bodies that represent them. The Company does not have any employee on staff considered to be a senior executive in accordance with this definition.

### 19.6 Information on compliance with Section 229 of the Corporate Enterprises Act (*Ley de Sociedades de Capital*)

According to the articles 229 and 231 of the Spanish Corporate Enterprises Act and with the aim of reinforcing the transparency of capital companies, the joint administrators of the Parent Company and their representative natural persons have reported they have no situations of conflict with the interest of the Parent Company or the Group.

Additionally, Mr. Juan María Riberas Mera as board member of the Parent Company, has reported that they are shareholders and board members of ACEK, DESARROLLO Y GESTIÓN INDUSTRIAL, S.L. and several subsidiaries of the ACEK Desarrollo y Gestión Industrial Group.

ACEK, DESARROLLO Y GESTIÓN INDUSTRIAL, S.L is the parent company of an industrial group that developed, through the following subgroups, the activities mentioned below:

- **GESTAMP AUTOMOCIÓN GROUP:** engaged in manufacturing and sale of metal parts and components for the automotive industry.

## Notes to the financial statements for the year ended December 31, 2020

- GONVARRI GROUP: engaged in manufacturing, processing and sale of metal products, including structures for renewable energy such as wind turbines, photovoltaic plants and infrastructure elements of solar thermal power plants.
- ACEK ENERGÍAS RENOVABLES GROUP: dedicated to the development, construction and operation of plants generating renewable energy including solar, wind and biomass.
- INMOBILIARIA ACEK GROUP: engaged in real estate activities.

By other hand, ACEK, DESARROLLO Y GESTIÓN INDUSTRIAL, S.L holds a direct and indirect investment of 15.69 % in the company Cie Automotive, S.A., of which Juan María Riberas Mera is also directors.

Cie Automotive, S.A. is the parent company of an industrial group which is engaged in, among other things, the design, manufacture and sale of automobile components and sub-units on the world automotive market.

ACEK, DESARROLLO Y GESTIÓN INDUSTRIAL, S.L. holds a direct investment of 50.00% in the company Sideacero, S.L., of which Mr. Juan María Riberas Mera is also director.

Sideracero, S.L. is the parent company of an industrial group which in engaged in, among other things, import, export, purchase and sale of ferrous, non-ferrous products, steel materials and recovery materials. Company of which Mr. Juan María Riberas Mera is also director.

In the case of Global Dominion Access, S.A., a company in which Acek, Desarrollo y Gestión Industrial, S.L.owns a direct and indirect participation of 13.557%. Global Dominion Access, S.A. is the head company of a group that develops the activity of telecommunications services and specialized engineering solutions. Company of which Mr. Juan María Riberas Mera is a director.

**Mr Francisco José Riberas Mera**, as board member of the Parent Company, has reported that they are shareholders and board members of ACEK, DESARROLLO Y GESTIÓN INDUSTRIAL, S.L. and several subsidiaries of the ACEK Desarrollo y Gestión Industrial Group.

ACEK, DESARROLLO Y GESTIÓN INDUSTRIAL, S.L is the parent company of an industrial group that developed, through the following subgroups, the activities mentioned below:

- GESTAMP AUTOMOCIÓN GROUP: engaged in manufacturing and sale of metal parts and components for the automotive industry.
- GONVARRI GROUP: engaged in manufacturing, processing and sale of metal products, including structures for renewable energy such as wind turbines, photovoltaic plants and infrastructure elements of solar thermal power plants.
- ACEK ENERGÍAS RENOVABLES GROUP: dedicated to the development, construction and operation of plants generating renewable energy including solar, wind and biomass.
- INMOBILIARIA ACEK GROUP: engaged in real estate activities.

By other hand, ACEK, DESARROLLO Y GESTIÓN INDUSTRIAL, S.L holds a direct and indirect investment of 15.69 % in the company Cie Automotive, S.A., of which Mr.Francisco José Riberas Mera is also director.

Cie Automotive, S.A. is the parent company of an industrial group which is engaged in, among other things, the design, manufacture and sale of automobile components and sub-units on the world automotive market.

## Notes to the financial statements for the year ended December 31, 2020

ACEK, DESARROLLO Y GESTIÓN INDUSTRIAL, S.L. holds a direct investment of 50.00% in the company Sideacero, S.L.

Sideracero, S.L. is the parent company of an industrial group which is engaged in, among other things, import, export, purchase and sale of ferrous, non-ferrous products, steel materials and recovery materials.

In the case of Global Dominion Access, S.A., a company in which Acek, Desarrollo y Gestión Industrial, S.L. owns a direct and indirect participation of 13.557%. Global Dominion Access, S.A. is the head company of a group that develops the activity of telecommunications services and specialized engineering solutions.

In the case of General de Alquiler de Maquinaria, S.A., a company in which Mr. Francisco José Riberas Mera indirectly owns, through the Sociedad Gestora de Activos y Maquinaria Industrial, S.L., 58.235% and in which Mr. Francisco José Riberas Mera is proprietary Director. General de Alquiler de Maquinaria, S.A. is the head company of a group that develops activities of sale and rental of all kinds of agricultural and industrial machinery.

## 20. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

### Financial risk management

In managing risk, the Company takes an accounting view that enables it to assess the status and trends of the various situations of risks.

#### 20.1 Financial risk factors

In compliance with prevailing accounting standards, the Company discloses the financial risks to which its business is exposed, which are basically:

- Market risk
  - Foreign currency risk
  - Interest rate risk
- Liquidity risk

#### Foreign currency risk

Fluctuations in the exchange rates of currencies in which a given transaction is carried out against the accounting currency can have a negative or positive effect on profit or loss for the year, specifically impacting the financial management of borrowings.

The Company operates primarily in the following currencies:

- Euro
- US dollars
- Swedish krona
- Hungarian forints
- Pound sterling



## Notes to the financial statements for the year ended December 31, 2020

To manage currency risk, the Company uses a series of financial instruments that provide it with a certain degree of flexibility. These instruments are basically:

- A. Forward purchases and sales of currencies: This establishes a known fixed rate of exchange at a specific date, which may also be adjusted over time to adapt and apply to cash flows.
- B. Other instruments: Other derivative financial hedging instruments may be used, such as those that lock in a maximum and minimum exchange rate (collars or tunnels) at a specific settlement date.

The following table presents, in euros, the sensitivity of profit and loss and equity to changes in the exchange rates of the currencies in which the Company operates against the euro.

The sensitive of profit and loss to changes in exchange rates is as follows (in euros):

### 2020

Currency	IMPACT ON PROFIT OR LOSS	
	+5% change	-5% change
CNY	45	(45)
GBP	(4,598,022)	4,598,022
HUF	(986,320)	986,320
INR	(1,674,588)	1,674,588
JPY	(1)	1
MAD	(0)	0
PLN	434	(434)
ROL	8	(8)
SEK	(384,151)	384,151
TRY	(86,599)	86,599
USD	8,647,781	(8,647,781)
<b>Effect in absolute values</b>	<b>918,587</b>	<b>(918,587)</b>

### 2019

Currency	IMPACT ON PROFIT OR LOSS	
	+5% change	-5% change
CNY	42	(42)
GBP	(2,378,360)	2,378,360
HUF	(699,284)	699,284
INR	(1,717,360)	1,717,360
JPY	(6)	6
MAD	(49)	49
PLN	466	(466)
SEK	(1,152,889)	1,152,889
USD	12,863,013	(12,863,013)
<b>Effect in absolute values</b>	<b>6,915,573</b>	<b>(6,915,573)</b>

### *Interest rate risk*

Regarding floating rate borrowings, the Company is exposed to the risk that its cash flows will be affected by changes in market interest rates. The Company mitigates its interest rate risk using interest rate derivatives, mainly arranging interest rate swaps through which it converts the reference variable interest rate of a loan into a fixed reference, covering either the entire amount or part of the amount of the loan, and affecting either the entire life or part of the life of the loan.

Virtually all debt is issued at variable rates and indexed to the Euribor rate.

## Notes to the financial statements for the year ended December 31, 2020

With all other variables held constant, a 5% higher or lower interest rate in 2020 on the Company's borrowings would result in a higher or lower net financial result of €4,377 thousand (2019: €4,124 thousand).

### Liquidity risk

Liquidity risk is defined as the risk that a company may not be able to meet its obligations as a result of adverse situations in debt and/or capital markets that hinder or prevent it from raising the necessary funds.

The Group manages liquidity risk by holding sufficient available funds to negotiate, under the best possible terms and conditions, the replacement of forthcoming transactions close to maturing with new ones and to meet its short-term cash management requirements, thereby avoiding the need to raise funds under unfavorable terms and conditions.

At 31 December 2020, the undrawn long-term credit lines amounted to €1,485.7 million (2019: €792.9 million).

## 21. OTHER INFORMATION

### 21.1 Structure of personnel

The number of employees by professional category is as follows:

	Number of employees at the end of the year			Average number of employees in the year
	Men	Women	Total	
<b>2020</b>				
Senior executives	-	-	-	-
Administrative staff	9	10	19	19
Others	3	2	5	5
	<b>12</b>	<b>12</b>	<b>24</b>	<b>24</b>
	Number of employees at the end of the year			Average number of employees in the year
	Men	Women	Total	
<b>2019</b>				
Senior executives				
Administrative staff	11	10	21	20
Others	3	2	5	5
	<b>14</b>	<b>12</b>	<b>26</b>	<b>25</b>

### 21.2 Audit fees

Audit fees accrued for services rendered by the statutory auditor are as follows:

(€)	2020	2019
Fees for the audit of separate and consolidated financial statements	423,842	408,115
Other services	29,421	247,820
	<b>453,263</b>	<b>655,935</b>

## Notes to the financial statements for the year ended December 31, 2020

### 22. DISCLOSURES ON DEFERRED PAYMENTS TO SUPPLIERS IN COMMERCIAL TRANSACTIONS

The information on average supplier payment period is as follows:

	2020	2019
<b>(Days)</b>		
Average supplier payment period	36	56
Ratio of transactions paid	36	55
Ratio of transactions outstanding	37	64
<b>(€)</b>		
Total payments made	5,547,994	5,772,885
Total payments outstanding	43,811	414,416

### 23. EVENTS AFTER THE REPORTING PERIOD

There is no significant subsequent events at December 31<sup>st</sup>, 2020.

#### **Additional note for English Translation**

*These Financial Statements were originally prepared in Spanish. In the event of a discrepancy, the Spanish-language version prevails.*



Management Discussion and Analysis of the Financial  
Condition and Results of Operations for the Twelve  
Months Period ended December 31, 2020

Gestamp Automoción, S.A.

February 24, 2021

Gestamp Automoción S.A. (hereafter “Gestamp” and together with its consolidated subsidiaries “the Group”) is one of the world’s largest suppliers of automotive metal components and assemblies. We are an international group focused on the design, development and manufacture of highly engineered Body-in-White, Chassis components and Mechanisms, as well as tooling & dies and other related services for the automotive industry. Our expertise and core competence in developing and producing light-weight components help our customers to reduce CO2 emissions while at the same time enhancing the safety features of their vehicles.

Since we were founded in 1997, we have cultivated strong relationships with our OEM customers by offering them leading technologies through our extensive global footprint of more than 100 production facilities in 24 countries across five regions (Europe, North America, South America, Asia and Africa), 13 R&D centres and a workforce of over 40,000 employees worldwide.

Our leading technologies, global footprint and proven track record in executing complex projects set us apart and makes us one of the industry leaders, as well as enables us to secure strong relationships with almost all major global automakers including Volkswagen Group, Daimler, PSA, Renault Nissan, Ford, BMW, Fiat Chrysler, Tata JLR, General Motors, Geely-Volvo, Honda and Toyota, which represented our top 12 customers for the year ended December 31, 2020. We currently supply products to all top 12 OEMs globally by volumes, and we are also incorporating new customers, in line with our stated growth and diversification strategy.

We continue with the same strategy as previous year which is to continue to be the global partner of choice for OEMs in Body-in-White, Chassis and Mechanisms. In order to achieve our goal we will continue to focus on maintaining and strengthening our technological leadership, maximizing growth on the basis of our client-oriented business model, operational excellence and efficiencies, while developing and implementing digitalization and industry 4.0 in our plants and regions.

During the beginning of 2020, COVID19 virus spread worldwide and was declared pandemic by the World Health Organization on March 11, 2020. In response, many governments imposed quarantine, severe mobility restrictions, and other public safety measures, causing a major disruption to the economies of many countries. These measures led to a global crisis, and as a result a decline in IHS light vehicle production volumes for 2020 of -16.1% (according to IHS estimates in February 2021).

COVID19 led to stoppages across the Group’s plants for an average of 8 weeks, significantly affecting the results for the second quarter of 2020, which resulted in a 56% decrease in revenues during the second quarter of 2020, when compared to the same period in 2019, as well as the revision of the production volume forecasts for the coming months and years.

The Group is implementing a contingency plan to adapt to this situation by taking measures to improve its liquidity position, as well as labor flexibility, improving cost efficiency, managing working capital and reducing investments. In this context, the Group announced in April it would not proceed with the complementary dividend payment scheduled for July.

## Organizational Structure

Our organizational model is structured fundamentally in business units that focus on business development, products, processes and strategic projects, while our geographical divisions concentrate on launching industrial projects and managing production capacities, considering each production plant as an economic center.

On November 6<sup>th</sup>, 2020, the Group announced that the Board of Directors had accepted the resignation of Mr. Francisco López Peña as Chief Executive Officer (CEO) of the Company effective from January 1<sup>st</sup>, 2021. Within the new structure of the Gestamp Group, Mr. Francisco José Riberas Mera remains as Executive Chairman. Additionally, the Board of Directors approved two new management positions that will report to the Executive Chairman, (1) the Chief Operating Officer (COO), responsible for the global industrial operations of the Gestamp Group, that will be led by Mr. Fernando Macías Mendizábal, and, (2) the Chief Commercial Officer (CCO), responsible for the global commercial and customer relations, that will be led by Mr. Juan Barrenechea Izarzugaza.

## Macroeconomic and Sector Evolution in 2020

During 2020, COVID19 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 expected (0.9 percentage point higher than October 2020 WEO's expectations) reflecting a stronger-than-expected momentum in H2 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%.

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 by 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 COVID19. 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).

## Financial Results Overview

In this environment, the Company, on an individual level, continues to carry out its financial and advisory activity in favor of the group, materializing the growth of the group in new acquisitions and financing new investments by granting loans and taking shares, by attracting financing in the financial agents which it operates with.

During the 2020 financial year, the profit before taxes amounts to (57,380) thousand euros (152,211 thousand euros in 2019). The decrease in the result is mainly due to a reduction in income from dividends of investees of 147,107 thousand euros, as well as the increase in the item of impairment losses of financial instruments that amounts to 53,491 thousand euros.

At the end of the 2020 financial year, the Company maintains a positive working capital of 1,307 million euros (1,749 million euros in 2019). Additionally, Gestamp has a Revolving Credit Facility of 325 million euros, maturing in 2023, fully drawn down on 31 December 2020, as well as 503 million euros in credit lines. These credit lines are generally renewed every year, they have no guarantee and have standard clauses.

## Non- financial information

The company Includes information of a non-financial nature, in the Management Report of the consolidated group financial statements.

## Risk management

To deal with the risks and uncertainties inherent to the activity carried out by Gestamp in the different countries in which it operates, the Group has a Risk Management Policy and Comprehensive Risk Management System (hereinafter, "CRMS"). This CRMS aims to identify, assess and respond to eventual contingences that could affect the achievement of the Group's objectives, if they are materialized.

Gestamp's CRMS is based on the best corporate risk management practices set out in the ISO 31000 standard and the COSO framework (Committee of Sponsoring Organizations of the Treadway Commission) for Risk Management (known as COSO ERM). Good Governance Code of listed companies and the Technical Guide 3/2017 on Audit Committees of Public Interest Entities have also been taken into consideration.

Thus, the CRMS Policy, approved by Gestamp's 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 CRMS 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, who are responsible for identifying, assessing and monitoring the risks that jeopardize compliance with their aims.
- The Risk Committees, which ensure that risks are kept at an acceptable level and report to the Audit Committee.
- The Board of Directors and Audit Committee in monitoring and following up on the CRMS.
- The Internal Audit and Risk Management Direction, which supports the Audit Committee and coordinates the risk identification and assessment processes, as well as the Risk Committees.

Every year in a recurring basis: (i) the risk assessment scales (impact, occurrence likelihood and control effectiveness) are reviewed and approved, (ii) the Corporate Risk map is updated from a residual perspective, this is (considering the controls that Gestamp has already implemented to mitigate the possible effects of these risks), and (iii) the monitoring of the different indicators defined to measure the risks.

The emergence of the Covid-19 pandemic in 2020 has generated not only a health crisis, but also an economic crisis, for which the Group has implemented a comprehensive contingency plan, with the aim of ensuring the viability of the Gestamp project in the long-term.



## R&D activities

The Company, individually, has not performed any R&D activity in the current year.

## Operation with own shares

On 27 July 2018, the Parent Company entered into a liquidity agreement with JB Capital Markets, S.V., S.A.U., adapted to Circular 1/2017, of 26 April, of the CNMV. The framework of this agreement will be the Spanish stock markets.

This agreement stipulates the conditions in which the financial intermediary will operate for the account of the issuer, buying or selling own shares of the latter, with the sole objective of favouring the liquidity and regularity of their listing, and it will have a duration of 12 months, deemed to be tacitly extended for the same period, unless indicated otherwise by the parties.

The amount earmarked to the cash account associated with the agreement is 9,000 thousand euros.

The own shares at 31 December 2020 represented 0.07% of the Parent Company's share capital (0.12% as of 31 December 2019) and comprised 380,048 shares (688,549 shares as of 31 December 2019) at an average acquisition price of 3.55 euros per share (4.17 euros as of 31 December 2019).

The movements in 2020 and 2019 were as follows:

	Number of own shares	Thousands of euros
<b>Balance at December 31, 2018</b>	<b>1,078,834</b>	<b>6,041</b>
Increases/Purchases	11,706,626	54,488
Decreases/Sales	(12,096,911)	(57,657)
<b>Balance at December 31, 2019</b>	<b>688,549</b>	<b>6,041</b>
Increases/Purchases	12,011,344	32,885
Decreases/Sales	(12,319,845)	(34,408)
<b>Balance at December 31, 2020</b>	<b>380,048</b>	<b>2,872</b>

The sales price of the own shares during 2020 detailed in the previous table amounted to 33,758 thousand euros (56,783 thousand euros as of 31 December 2019), generating a negative result of 650 thousand euros (874 thousand euros as of 31 December 2019)

The total result amounting to 650 thousand euros (874 thousand euros as of 31 December 2019) was recognized under Unrestricted reserves.

## Stock Exchange Evolution

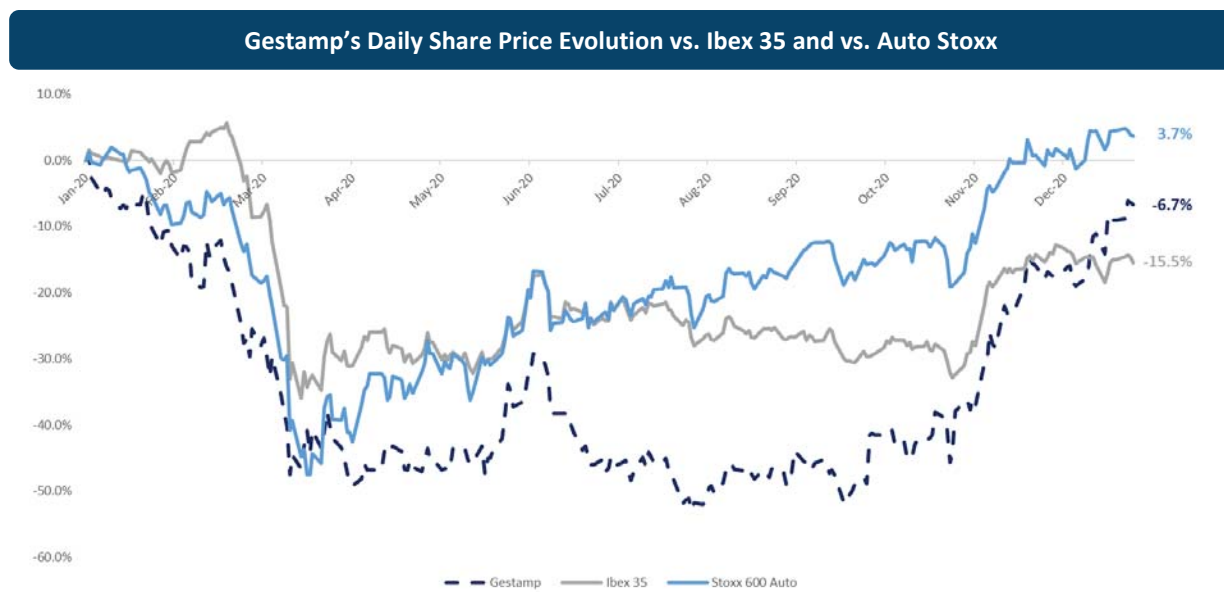
On April 7<sup>th</sup>, 2017, Gestamp made its debut as a publicly listed company on the Spanish stock exchanges (Madrid, Barcelona, Bilbao, and Valencia) under the "GEST" ticker. The final offering consisted of 156,588,438 shares (initial offering of 155,388,877 plus final over-allotment option of 1,199,561 shares

corresponding to Greenshoe of 23,308,331 shares). The price was set at 5.60 euros per share, representing an initial market capitalization of €3,222 million.

Since December 2017, the company's shares have been included in the IBEX Medium Cap index.

As of December 31<sup>st</sup> of 2020, 72.86% of the share capital was controlled (directly and indirectly) by Acek Desarrollo y Gestión Industrial S.L. (the Riberas Family industrial holding), being 60.335% owned by Acek and 12.525% by Mitsui. Gestamp's total Free Float amounted to 27.14% as of December 2020 (including shares held by the Board of Directors and Gestamp own shares that JB Capital Markets operates under the liquidity contract).

Please see below for Gestamp's share price evolution since January 1<sup>st</sup>, 2020:



Source: Bloomberg

As of December 31<sup>st</sup>, 2020, Gestamp's shares decreased by -6.7% since the 1<sup>st</sup> of January, implying a market capitalization of €2,271 million at the end of the year. Total volume traded during 2020 stood at 232.5 million shares or €638.2 million.

The shares reached its maximum level for the year on January 2<sup>nd</sup> 2020 (€4.25) and its minimum level on July 30<sup>th</sup> 2020 (€1.99). During 2020, our average share price stood at €2.83.

The most relevant information regarding the stock's evolution in 2020 and 2019 is shown in the table below:

(€)	2020	2019
Total Number of Shares	575,514,360	575,514,360
Share Price at year end	3.95	4.23
Market Cap. at year end (in Thousands)	2,271	2,433
Maximum Price	4.25	5.72
Date of Max. Price	02/01/2020	18/04/2019
Minimum Price	1.99	3.35
Date of Min. Price	30/07/2020	01/11/2019
Average Price	2.73	4.68
Total Volume (in Shares)	232,547,384	200,639,528
Average of Daily Volume Traded (in Shares)	904,853	786,822
Total Turnover (in Millions)	638.16	934.19
Average of Turnover Traded (in Thousands)	2,483.11	3,663.49

Data as of December 31<sup>st</sup>, 2020. Source: Bloomberg & BME (Bolsa y Mercados Españoles)

## 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 14<sup>th</sup>, 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 COVID19 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.

## Credit 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 4<sup>th</sup>, 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 17<sup>th</sup>, 2016 with the tranche A2 of the new syndicated loan granted on May 20<sup>th</sup>, 2016. The maturity date of the bonds is May 15<sup>th</sup>, 2023.

On April 20<sup>th</sup>, 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 30<sup>th</sup>, 2026.

As of December 31<sup>st</sup>, 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 6<sup>th</sup>, 2020 by Standard & Poor's and November 23<sup>rd</sup>, 2020 by Moody's.

Corporate Credit Ratings	Current Rating	Outlook	Last Review
Standard & Poor's	BB-	Stable	06/08/2020
Moody's	B1	Positive	23/11/2020
Senior Secured Notes	Current Rating	Outlook	Last Review
Standard & Poor's	BB	Stable	06/08/2020
Moody's	B1	Positive	23/11/2020

## Average Period for Payment to Suppliers

The internal processes and payment policy terms of the Spanish companies of the Company comply with the legal provision of the Law 15/2010, which establishes actions against late payment in commercial transactions. As a result, the contractual conditions in the year 2020 with commercial suppliers for parts manufactured in Spain have included periods of payment equal to or less than 60 days in 2020 and in 2019, according to the second transitory legal provision of the Law.

For efficiency reasons and in line with common standards, the Spanish subsidiaries of the Group have in place a schedule for payments to suppliers, under which payments are made on fixed days, and twice a month in the case of the larger entities.

In general terms, during the fiscal periods 2020 and 2019, payments, for contracts agreed after the entry into force the Law 15/2010 made by Spanish entities to suppliers have not exceeded the legal limits of payment terms. Payments to Spanish suppliers which have exceeded the legal deadline for years 2020 and 2019 have been negligible in quantitative terms and are derived from circumstances or incidents beyond the established payment policy, which primarily include the closing of agreements with suppliers at the delivery of goods or provision of services or handling specific processes.

Additionally, as of December 31, 2020 and 2019 there were no outstanding amounts to suppliers located in Spanish territory that exceeded the legal term of payment.

### Subsequent events

There are no significant subsequent events at December 31, 2020.

*This document is a translation into English of an original document drafted in Spanish. This translation is for information purposes only, therefore, in case of discrepancy, the Spanish version shall prevail.*

**MODEL ANNEX I**

**ANNUAL CORPORATE GOVERNANCE REPORT OF  
LISTED COMPANIES**

**IDENTIFICATION DETAILS OF THE**

END OF REPORTING PERIOD 31/12/2020

Tax ID Code A48943864

Registered Name:  
GESTAMP AUTOMOCIÓN, S.A.

Registered Address:  
Polígono Industrial de Lebario, s/n, Abadiano, 48220, Bizkaia

**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

**A OWNERSHIP STRUCTURE**

A.1 Complete the following table about the share capital of the company:

Date of last change	Share capital (€)	Number of shares	Number of voting rights
03/03/2017	287,757,180	575,514,360	575,514,360

Remarks

State whether or not there are different classes of shares with different associated rights:

Yes  No

Category	Number of shares	Nominal value per share	Number of voting rights per share	Different rights

Remarks

A.2 Provide a breakdown of the direct and indirect holders of significant shareholdings as of the end of the financial year, excluding directors:

Individual or company name of shareholder	% voting rights attributed to the shares		% voting rights through financial instruments		% total voting rights
	Direct	Indirect	Direct	Indirect	
Acek Desarrollo y Gestión Industrial, S.L.	22.76	50.10	-	-	72.86

Remarks

Details of the indirect shareholding:

Individual or company name of indirect holder	Individual or company name of direct holder	% voting rights attributed to the shares	% voting rights through financial instruments	% total voting rights
Acek Desarrollo y Gestión Industrial, S.L.	Gestamp 2020, S.L.	50.10	00.00	50.10

Remarks

State the most significant changes in the shareholding structure that have occurred during the financial year:

Most significant changes

A.3 Complete the following tables about members of the board of directors of the company who have voting rights attached to the shares of the company:

Individual or company name of director	% voting rights attributed to the shares		% voting rights through financial instruments		% total voting rights	% voting rights that can be transferred through financial instruments	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
Mr. Francisco López Peña	0.14	-	-	-	0.14	-	-
Mr. Javier Rodríguez Pellitero	0.00	-	-	-	0.00	-	-
Mr. Alberto Rodríguez-Fraile Díaz	0.01	-	-	-	0.01	-	-
Mr. Pedro Sainz de Baranda Riva	0.02	-	-	-	0.02	-	-
Mr. Cesar Cernuda Rego	0.00	-	-	-	0.00	-	-

<b>Total percentage of voting rights held by the board of directors</b>	<b>0.17</b>
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Remarks
Mr. Javier Rodríguez Pellitero and Mr. Cesar Cernuda Rego hold a direct stake of 0.003% and 0.004%, respectively, which, together with the stake held by the other Directors, results in a total of 0.177%.

Details of the indirect shareholding:

Individual or company name of director	Name or company name of the direct holder	% voting rights attributed to the shares	% voting rights through financial instruments	% total voting rights	% voting rights that can be transferred through financial instruments



-	-	-	-	-	-
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<b>Remarks</b>

A.4 State, if applicable, the family, commercial, contractual, or corporate relationships between significant shareholders, insofar as they are known to the company, unless they are immaterial or result from the ordinary course of business, except those that are reported in section A.6:

Related individual or company name	Type of relationship	Brief description

A.5 State, if applicable, the commercial, contractual, or corporate relationships between significant shareholders and the company and/or its group, unless they are immaterial or result from the ordinary course of business:

Related individual or company name	Type of relationship	Brief description
Acek Desarrollo y Gestión Industrial, S.L. Gestamp Automoción, S.A.	Contractual	Gestamp Automoción, S.A. (hereinafter referred to as the "Company") and any companies belonging to its group, of which the Company is the parent entity, (hereinafter referred to as the "Group"), have a commercial, contractual or corporate relationship with a significant shareholder or companies belonging to its group. Although they results from the ordinary course of business undertaken under market conditions.  The relationship referred to is described in section D of this report to ensure proper transparency.

A.6 Describe the relationship, unless it is of little relevance to both parties, that exists between significant shareholders or representatives on the board and the directors, or their representatives, in the case of legal person directors.

Explain, where applicable, how significant shareholders are represented. Specifically, any directors who have been appointed on behalf of significant shareholders, those

whose appointment was encouraged by significant shareholders, or who are related to significant shareholders and/or entities in their group, specifying the nature of such relationships, shall be indicated. In particular, mention shall be made, where appropriate, of the existence, identity and position of members of the board, or representatives of directors, of the listed company, who are, in turn, members of the management body, or their representatives, in companies which hold significant shareholdings in the listed company or in group entities of these significant shareholders.

<b>Individual or company name of the related director or representative</b>	<b>Individual or company name of related significant shareholder</b>	<b>Company name of the group company of the significant shareholder</b>	<b>Description of relationship / position</b>
Mr Francisco José Riberas Mera	Acek Desarrollo y Gestión Industrial, S.L.	Acek Desarrollo y Gestión Industrial, S.L.	He has control of Halekulani, S.L., a company that, together with the company Ion-Ion, S.L., controls the significant shareholder Acek Desarrollo y Gestión Industrial, S.L. He is Director Acek Desarrollo y Gestión Industrial, S.L. group and of the companies of the group of which it is the parent company (hereinafter, "Acek Group").
Mr. Juan María Riberas Mera	Acek Desarrollo y Gestión Industrial, S.L.	Acek Desarrollo y Gestión Industrial, S.L.	He has control of Ion-Ion S.L., a company that, together with the company Halekulani, S.L., controls the significant shareholder Acek Desarrollo y Gestión Industrial, S.L. He is also Director of companies in the Acek Group.
Mr. Francisco López Peña	Acek Desarrollo y Gestión Industrial, S.L.	Gestamp 2020, S.L.	He is Director of Gestamp 2020, S.L.

Mr. Norimichi Hatayama	Acek Desarrollo y Gestión Industrial, S.L.	Gestamp 2020, S.L.	He is Director of Gestamp 2020, S.L.
Mr. Tomofumi Osaki	Acek Desarrollo y Gestión Industrial, S.L.	Gestamp 2020, S.L.	He is Director of Gestamp 2020, S.L.
Mr. Tomomfumi Osaki	Acek Desarrollo y Gestión Industrial, S.L.	GRI Renewable Industries, S.L., S.L.	He is Director of GRI Renewable Industries, S.L.

<b>Remarks</b>

A.7 State whether any private shareholders' agreements (*pactos parasociales*) affecting the company pursuant to the provisions of Articles 530 and 531 of the Companies Act (*Ley de Sociedades de Capital*) have been reported to the company. If so, briefly describe them and list the shareholders bound by the agreement:

Yes  No

Participants in the private shareholders' agreement	% of share capital affected	Brief description of the agreement	Expiration date of the agreement, if any
Acek Desarrollo y Gestión Industrial, S.L.	72.86	This private shareholders' agreement was formalised on 23 December 2016 and it was reported by virtue of a Significant Event on 7 April 2017 (Record No. 250532). It regulates, among other aspects, corporate governance matters relating to the General Shareholders' Meeting and the Board of Directors of both Gestamp 2020, S.L., and the Company, as well as the transmission regime of shares of the Company. For further information, see note included in Section H.	-
Mitsui & Co., Ltd			
Gestamp 2020, S.L.			
Mr. Francisco José Riberas Mera	72.86	This protocol was formalised on 21 March 2017 and it was reported by virtue of a Significant Event on 7 April 2017 (Record No. 250503). It regulates specific aspects relating to the ownership and management of the Acek Group. In particular, the protocol regulates the procedure for deciding the direction of the vote of Acek	-
Halekulani S.L.			
Mr. Juan María Riberas Mera			
Ion-Ion, S.L.			
Acek Desarrollo y Gestión Industrial S.L.			

		Desarrollo y Gestión Industrial, S.L., with respect to the agreements adopted in the General Shareholders' Meeting of the Company and of Gestamp 2020, S.L., the first refusal and tag along rights regarding shares of Acek Desarrollo y Gestión Industrial, S.L., and the regime to solve deadlock situations that could affect the Company. For further information, see note included in Section H.	
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<b>Remarks</b>

State if the company is aware of the existence of concerted actions among its shareholders. If so, briefly describe them:

Yes                       No

Participants in concerted action	% of share capital affected	Brief description of the concerted action	Expiration date of the agreement, if any

<b>Remarks</b>

Expressly state whether or not any of such agreements, arrangements or concerted actions have been modified or terminated during the financial year:

Not applicable

A.8 State whether there is any individual or legal entity that exercises or may exercise control over the company pursuant to section 5 of the Securities Market Act (*Ley del Mercado de Valores*). If so, identify it:

Yes                       No

<b>Individual or company name</b>
Acek Desarrollo y Gestión Industrial, S.L.

<b>Remarks</b>
Acek Desarrollo y Gestión Industrial, S.L., controls and has a 75% participation in the capital of Gestamp 2020, S.L. It is also the holder of 50.10% of the share capital and voting rights of the Company. Furthermore, Acek Desarrollo y Gestión Industrial, S.L., holds a 22.76% direct share in the capital of the Company. Therefore, Acek Desarrollo y Gestión Industrial, S.L., controls 72.86% of the voting rights of the Company.
The Riberas family has control of Acek Desarrollo y Gestión Industrial, S.L., given

that it is the indirect holder of its entire share capital through the companies Halekulani, S.L., and Ion-Ion, S.L. At present, Mr. Francisco José Riberas has control of Halekulani, S.L., and Mr. Juan María Riberas has control of Ion-Ion, S.L. The management body of Acek Desarrollo y Gestión Industrial, S.L., comprises two joint directors: Halekulani, S.L., (represented by Mr. Francisco José Riberas) and Ion-Ion, S.L., (represented by Mr. Juan María Riberas).

A.9 Complete the following tables about the company's treasury shares:

**As of year-end:**

Number of direct shares	Number of indirect shares (*)	Total % of share capital
380.048	0	0.07

Remarks
The number of treasury shares of the Company are those corresponding exclusively to the operations carried out under the liquidity contract signed between the Company and JB Capital Markets, Sociedad de Valores, S.A.U. and notified to the market by means of a Significant Event dated 24 September 2018 (record number 269864).

**(\*) Through:**

Individual or company name of direct holder of the interest	Number of direct shares
<b>Total:</b>	

Remarks

Explain any significant changes that have occurred during the year:

Explain any significant changes

A.10 Describe the conditions and duration of the powers currently in force given by the shareholders to the board of directors in order to issue, repurchase or transfer own shares of the company:

The Company's General Shareholders' Meeting, held on 3 March 2017, agreed, under point nine of the agenda, to authorise the Company's Board of Directors to acquire treasury shares subject to the following conditions:

- The acquisitions shall be undertaken by the Company itself or through subsidiary companies.
- The acquisitions shall be undertaken through purchases, swaps, dation in payment or through any other legally valid transaction.

- The maximum number of own shares shall not exceed that legally established.
- The minimum price shall be the nominal value.
- The maximum price shall be the market value on the date of the acquisition, increased by 10%.
- The authorisation is granted for a maximum term of 5 years starting from the date the agreement is adopted.

A.11 Estimated free float:

	%
<b>Estimated free float:</b>	29.93

<b>Remarks</b>

A.12 State whether there are any restrictions (statutory, legislative or of any kind) on the transfer of securities and/or any restrictions on voting rights. In particular, state whether there are any type of restrictions that may hinder the takeover of the company by means of the acquisition of its shares on the market, as well as any systems regarding prior authorisation or communication which, regarding the acquisitions or transfers of the company's financial instruments, are applicable to it by sectorial regulations.

Yes

No

<b>Description of restrictions</b>

There are no statutory or legislative restrictions on the transfer of securities and or voting rights.

As stated in Section A.7 of this Annual Corporate Governance Report, Acek Desarrollo y Gestión Industrial, S.L., Mitsui & Co., Ltd and Gestamp, 2020, S.L., formalised an agreement on 23 December 2016, which governs, among other aspects, the system for transferring the shares of the Company, owned by the shareholders who formalised said agreement. This transfer regime could hinder a takeover of the Company by means of the acquisition of its shares on the market. For further information see the Significant Event of 7 April 2017 (Record No. 250532) and the note included in section H.

Similarly, as stated in the aforementioned section, Mr. Francisco José Riberas Mera, Halekulani, S.L., Mr. Juan María Riberas Mera, Ion-Ion S.L., and Acek Desarrollo y Gestión Industrial, S.L., formalised a protocol on 21 March 2017, which governs, among other aspects, the procedure for deciding the direction of the vote of Acek Desarrollo y Gestión Industrial, S.L., in the Company. This the procedure for deciding the direction of the vote could hinder the takeover of the Company by means of the acquisition of its shares on the market. For further information, see the Significant Event of 7 April 2017 (Record No. 250503) and the note included in section H.

A.13 State whether or not the shareholders acting at a general shareholders' meeting have approved the adoption of breakthrough measures in the event of a takeover bid pursuant to the provisions of Law 6/2007.

Yes

No

Explain the approved measures and the terms on which the restrictions will become ineffective.

A.14 State whether or not the company has issued securities that are not traded on an EU regulated market.

Yes

No

If applicable, specify the different classes of shares, if any, and the rights and obligations attached to each class of shares.

The Company has issued promissory notes that are traded on the Alternative Fixed-Income Market (MARF).

Also, the Company has issued two senior notes traded on the Euro MTF market of the Luxembourg Stock Exchange, one through the wholly-owned investee Gestamp Funding Luxembourg, S.A., and the other in which the Company itself has acted as the issuer.

For further information relating to these debt instruments, see the website of the abovementioned markets: [www.bmerf.es](http://www.bmerf.es) and [www.bourse.lu](http://www.bourse.lu), respectively.

**B****GENERAL SHAREHOLDERS' MEETING**

B.1 State and, if applicable, describe whether or not there are differences with the minimum requirements set out in the Companies Act (LSC) regarding the quorum needed to hold a general shareholders' meeting.

Yes No 

	<b>% quorum differing from that established in Art. 193 of Spanish Capital Companies Act (LSC) for general cases</b>	<b>% quorum differing from that established in Art. 194 LSC for special cases pursuant to Art. 194 LSC</b>
<b>Quorum required on 1st call</b>		
<b>Required quorum upon 2nd call</b>		

<b>Description of the differences</b>

B.2 State and, if applicable, describe any differences from the rules set out in the Companies Act for the adoption of corporate resolutions:

Yes No 

Describe how they differ from the rules provided by the Companies Act.

	<b>Qualified majority other than that established in Article 201.2 of the Companies Act for the cases set forth in Article 194.1 of the Companies Act</b>	<b>Other instances in which a qualified majority is required</b>
<b>% established by the entity for the adoption of resolutions</b>		
<b>Describe the differences</b>		

B.3 State the rules applicable to the amendment of the by-laws of the company. In particular, disclose the majorities provided for amending the by-laws, and any rules provided for the protection of the rights of the shareholders in the amendment of the by-laws.



The By-laws of the Company do not establish different or additional rules to those set out by law for the amendment of by-laws.

In this regard, according to the provisions under Article 13.3 of the Company's By-laws, in order for the General Shareholders' Meeting to validly agree any by-law amendment, the following shall be required: on first call, the absolute majority of shareholders present, either in person or by proxy, provided they hold at least fifty percent of the subscribed share capital with voting rights; and, on second call, the favourable vote of two thirds of shareholders present, either in person or by proxy, at the General Shareholders' Meeting, when there are shareholders representing twenty-five percent or more of the subscribed share capital with voting rights, without reaching fifty percent.

- B.4 State the data on attendance at the general shareholders' meetings held during the financial year referred to in this report and those of the two previous financial years:

Date of general shareholders' meeting	Attendance data				% Total
	% of shareholders present in person	% of shareholders represented by proxy	% absentee voting		
			Electronic voting	Others	
25/06/2020	0.18	83.17	0	1.25	84.60
Of which free float:	0.00	10.81	0	1.25	12.06
06/05/2019	0.53	77.10	0	5.22	82.85
Of which free float:	0.36	7.31	0	5.22	12.89
07/05/2018	0.41	83.15	0	0.15	83.71
Of which free float:	0.27	11.88	0	0.15	12.30

Remarks
For the sake of clarity, the data on attendance in person includes those shareholders natural persons present at the General Shareholders' Meeting. On the other side, data on attendance represented includes shareholders natural persons represented by proxies present at the General Shareholders' Meeting and shareholders legal entities which are largely the majority of the share capital. Also, the data on % absentee voting ("others") includes those votes received by ordinary mail.

- B.5 State whether at the general meetings held throughout the year there were any items on the agenda that, for any reason, were not approved by the shareholders.

Yes  No

Agenda items not approved	% votes against (*)

(\*) If the non-approval of the item is due to a reason other than a vote against, it is to be explained in the text part, placing "n/a" in the column "% votes against".

- B.6 State whether or not there are any by-law restrictions requiring a minimum number of shares to attend the general shareholders' meeting, or to vote remotely:

Yes

No

<b>Number of shares required to attend the general shareholders' meeting</b>	
<b>Number of shares required to vote remotely</b>	

- B.7 State whether it has been established that certain decisions, other than those established by law, which involve the acquisition, disposal or contribution of essential assets to another company or other similar corporate operations, must be subject to the approval of the general shareholders' meeting.

Yes

No

<b>Explanation regarding the decisions to be submitted to the board, other than those established by law</b>

- B.8 State the address and method for accessing the company's website to access information regarding corporate governance and other information regarding general shareholders' meetings that must be made available to the shareholders through the Company's website.

On the Company's website ([www.gestamp.com](http://www.gestamp.com)), there is a Corporate Governance section, which can be accessed from the home page via the "Investors and Shareholders" section. In this section on Corporate Governance, information on the Company's corporate texts, the General Shareholders' Meeting and on the Board of Directors and its committees, among other content, can be accessed.

This section of "Corporate Governance" is accessible in two clicks from the home page.

## **C STRUCTURE OF THE COMPANY'S MANAGEMENT**

### **C.1 Board of directors**

C.1.1 Minimum and maximum number of directors provided for in the Articles of Association and the number set by the General Meeting:

<b>Maximum number of directors</b>	15
<b>Minimum number of directors</b>	9
<b>Number set by the general meeting</b>	12

<b>Remarks</b>

C.1.2 Complete the following table identifying the members of the board:

<b>Individual or company name of director</b>	<b>Representative of</b>	<b>Category of director</b>	<b>Position on the Board</b>	<b>Date of first appointment</b>	<b>Date of last appointment</b>	<b>Election procedure</b>
Mr. Francisco José Riberas Mera	-	Executive	Executive Chairman	22/12/1997	24/03/2017	General Shareholders' Meeting Agreement.
Mr. Juan María Riberas Mera	-	Proprietary	Vice-chairman	22/12/1997	24/03/2017	General Shareholders' Meeting Agreement.
Mr. Francisco López Peña	-	Executive	Member	05/03/2010	24/03/2017	General Shareholders' Meeting Agreement.
Mr. Tomofumi Osaki	-	Proprietary	Member	02/04/2020	02/04/2020	Agreement of the Board of Directors
Mr. Norimichi Hatayama	-	Proprietary	Member	24/03/2017	24/03/2017	Agreement of the Board of Directors
Mr. Alberto Rodríguez-Fraile Díaz	-	Coordinating Independent Director	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement.
Mr. Javier Rodríguez Pellitero	-	Independent	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement.
Mr. Pedro Sainz de Baranda Riva	-	Independent	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement.
Ms. Ana	-	Independent	Member	24/03/2017	24/03/2017	General

García Fau						Shareholders' Meeting Agreement.
Mr. César Cernuda Rego	-	Independent	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement.
Mrs. Concepción Rivero Bermejo	-	Independent	Member	29/07/2019	29/07/2019	Agreement of the Board of Directors
Mr. Gonzalo Urquijo Fernández de Araoz	-	Other External Directors	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement.

<b>Total number of directors</b>	12
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State any resignations, dismissals or vacancies that have occurred by approval of the General Shareholders' Meeting on the Board of Directors during the reporting period:

Individual or company name of director	Class of director at time of vacancy	Date of last appointment	Date of vacancy	Specialist Committees of which he/she was a member	Indicate whether the resignation/dismissal took place before the end of the term of office
Mr. Shinichi Hori	Proprietary	04/04/2018	31/03/2020	-	Yes
Mr. Katsutoshi Yokoi	Proprietary	04/04/2019	31/03/2020	-	Yes

<b>Reason for resignation/dismissal and other observations</b>
Mr. Shinichi Hori and Mr. Katsutoshi Yokoi resigned as a members of the Board of Directors and of the Company's Nomination and Compensation Committee by means of a letter sent to the Board of Directors in which they expressly justifies that his resignation is due to a change in their position within the organisational structure of Mitsui & Co. Ltd.

C.1.3 Complete the following tables about the members of the board and each member's status:

#### **EXECUTIVE DIRECTORS**

Individual or company name of director	Position within the company's structure	Profile
Mr. Francisco José Riberas Mera	Executive Chairman.	He holds a Degree in Law and a Degree in Business Management and Economics from the Comillas Pontifical University (ICADE E-3) of Madrid. He began his professional career by taking on different positions in the Gonvarri Group as Director of Corporate Development and later as

		<p>Managing Director. In 1997 he created the Company and since then he has been its Executive Chairman, shaping over time what the Group is today.</p> <p>He sits on the management bodies of other Group companies and of companies in the Acek Group (including companies in the Gonvarri Group, Acek Energías Renovables and Inmobiliaria Acek). He is also a member of other Boards of Directors outside the Acek Group such as: Telefónica, CIE Automotive, General de Alquiler de Maquinaria (GAM) and Sideacero. In addition, he participates in the Endeavor Foundation and is the Chairman of the Family Business Institute, among others.</p>
Mr. Francisco López Peña	CEO	<p>He holds a degree in Civil Engineering from the Polytechnic University of Barcelona and a Master of Business Administration (MBA) from the IESE Business School, Barcelona.</p> <p>He has extensive experience in the vehicle parts sector with over 22 years in the Group. Previously, he held executive management positions in companies in sectors such as industrial mining and textiles. In 1998 he joined the Group as Director of Corporate Development, becoming Vice Chairman and CFO in 2008 and then CEO in 2017 till 2020.</p> <p>He is a Director of several subsidiaries of the Company.</p>

<b>Total number of executive directors</b>	2
<b>Total % of the board</b>	16.67%

<b>Remarks</b>

#### **EXTERNAL PROPRIETARY DIRECTORS**

<b>Individual or company name of director</b>	<b>Individual or company name of the significant shareholder represented by the director or that has proposed the director's appointment</b>	<b>Profile</b>
Mr. Juan María Riberas Mera	Acek Desarrollo y Gestión Industrial, S.L.	He holds a Degree in Law and a Degree in Business Management and Economics from the Comillas Pontifical University (ICADE E-3) of Madrid.

		<p>He is currently Chief Executive Officer of the Gonvarri Group and the Group Acek Energías Renovables S.L.. He began his professional career in the Corporate Development area of the Gonvarri Group, where he later became Chief Executive Officer, a position he currently holds. In 2007, he promoted the creation of the Group Acek Energías Renovables, S.L., holding the position of Executive Chairman ever since.</p> <p>He is Chairman of the Board of Directors of Gonvarri and Acek Energías Renovables, S.L. and a member of the management bodies of the subsidiaries of these companies. He is also a member of the board of Acek Group companies (including the Inmobiliaria Acek Group). Outside the Acek Group, he sits on the Boards of Directors of CIE Automotivo, S.A. and companies in the Sideacero, S.L. Group. He is also a Director of the Juan XXIII Foundation, among others.</p>
Mr. Tomofumi Osaki	Acek Desarrollo y Gestión Industrial, S.L.	<p>He was graduated from the Economics faculty of the Wakayama University, Japan.</p> <p>For the last 29 years, he has been working at Mitsui Group developing his experience in the steel sector through a variety of executive positions worldwide. He currently is the Operating Officer of the Iron &amp; Steel Products Business Unit. Before joining the Mitsui Group, he was the Financial Officer at CAEMI Mineracao e Metalurgia for 7 years. At Mitsui Group, he was the General Manager in the Investment Department of Mineral &amp; Metal Resources Business Unit, and later post General Manager of the Investment Department of the Iron &amp; Steel Product Business Unit in Japan. After that, at Mitsui's New York Offices, he developed different executive positions such as General Manager in the Investment Department for the Financial Management Division, among others. After that, back in Tokyo, he was appointed General Manager of the Automotive Parts Business Division, and later General Manager of the Investment Administration Department.</p> <p>He is Director of certain companies belonging to Mitsui Group, and a company participated by Mitsui Group, Bangkok Coil Center. He is also Director of certain companies of Acek Group (including companies of Gestamp Automoción Group, and Gonvarri Group). In the past, he was part of the management bodies of some Mitsui Group's companies, Siam Yamato Steel, Vina Kyoei Steel, Mahindra Sanyo Special Steel, MS Avant, as well as, of the Board of Directors of Gestamp Automoción between 2017 and 2019.</p>
Mr. Norimichi Hatayama	Acek Desarrollo y Gestión	He has a bachelor's degree in Arts from the Tokyo

	Industrial, S.L.	<p>University of Foreign Studies (TUFS), and he holds an International Student Program from the Tecnológico de Monterrey University, Mexico.</p> <p>He has a wide professional experience in the steel sector, with more than 20 years working for Mitsui Group, through different positions worldwide. He is the General Manager of the Automotive Parts Department of the division of the same name. He started his professional career in 1998 at Mitsui, holding different positions at the Bar, Shapes &amp; Rails Division, as well as, at the Flat Rolled Steel Overseas Division, in Tokyo. From 2009 to 2015 he was Assistant General Manager of the Steel Product Division for the Middles East, Chief Representative of Al-Khobar Office and General Manager of the Metal Department of the Saudi Arabia branch of Mitsui. After that, and before holding his current position, he was appointed General Manager of the Rail Oversees Department of the Pipe, Plate, &amp; Rail Overseas Division.</p> <p>He is also Director of certain companies of Acek Group (including companies of the Gestamp Automoción Group).</p>
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<b>Total number of proprietary directors</b>	3
<b>Total % of the board</b>	25%

<b>Remarks</b>
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**EXTERNAL INDEPENDENT DIRECTORS**

<b>Individual or company name of director</b>	<b>Profile</b>
Mr. Alberto Rodríguez-Fraile Díaz	<p>He holds a Degree in Business Administration from the University of Miami and participated in the PADE programme (<i>Senior Business Management</i>) at the IESE Business School of Madrid. He also has certifications from the Securities Exchange Commission and the National Association of Securities Dealers, such as: Registered Options Principal, Financial and Operation Principal, Securities Principal.</p> <p>He started his professional career as a financial consultant at Merrill Lynch. Over the last 30 years he has worked for Asesores y Gestores Financieros (A&amp;G), a company of which he is a founding partner, shareholder and the Chairman of its Board of Directors. Furthermore, he is a member of the board of A&amp;G Group companies.</p>
Mr. Javier Rodríguez Pellitero	<p>He holds a Degree in Law and a Degree in Business Management and Economics from the Comillas Pontifical University (ICADE E-3) of Madrid.</p> <p>He is Secretary General of the Spanish Banking Association (AEB). He is also the Chairman of the Fiscal and the Legal Committee of the AEB, member of the Legal Committee of the European Banking Federation and member of</p>

	<p>the Consultation Committee of the National Securities Market Commission (CNMV). He started his professional career at the law firm Uría &amp; Menéndez and was subsequently a Head State Lawyer in Zamora. At the CNMV, he held several important positions, such as Managing Director of Legal Services and Secretary of the Board. He also acted as Secretary of the Special Work Group that produced the 2006 Unified Code of Good Governance for Listed Companies. He was also a member of the Commission of Experts that produced the 2015 Code of Good Governance for Listed Companies.</p> <p>He is also a Director of Engie España, S.L.U.</p>
Mr. Pedro Sainz de Baranda Riva	<p>He holds a Degree in Mine Engineering from the University of Oviedo and a PhD in Engineering from Rutgers University in New Jersey. He also holds a Master's Degree in Business Administration from the MIT, Sloan School of Management, Massachusetts.</p> <p>He is currently the founding partner of the investment company, Sainberg Investments. A large part of his professional career was undertaken at the United Technologies Corporation Group, where he held different managerial positions with an international scope. He started as an R&amp;D engineer at United Technologies, Connecticut, and later became the General Manager of Engineering and of New Technologies. He was the General Manager of New Installations at Otis Elevator in Mexico, Managing Director of Otis in Portugal, CEO of Zardoya Otis and Chairman of the Southern Europe and Middle East area at Otis Elevator Company and, finally, Executive Chairman of the Otis Elevator Company group.</p> <p>He is a member of the Board of Directors of Scalpers Fashion, Naturgy Energy Group and the Social Council of the Carlos III University of Madrid. In the past, he formed part of the management bodies of certain companies belonging to the Zardoya Otis Group. He is also member of the Board of the Princess of Asturias Foundation.</p>
Ms. Ana García Fau	<p>She holds a Degree in Law and a Degree in Business Management and Economics from the Comillas Pontifical University (ICADE E-3) of Madrid. She also holds a Master of Business Administration (MBA) from the MIT, Sloan School of Management, Massachusetts.</p> <p>She currently sits on the Boards of Directors of Euskaltel, Eutelsat, Merlin Properties, Finerge, DLA P and Globalvia. She started her professional career working at McKinsey &amp; Co., for Wolff Olins and Goldman Sachs International. She is also a member of the advisory councils of the mutual benefit fund of the Spanish Lawyers, Pictet Wealth Management España and Salesforce in EMEA.</p> <p>She started her career at McKinsey &amp; Company, Wolff Olins, and Goldman Sachs International. At TPI- Páginas Amarillas (Telefónica Group) she was General Director of the Corporate Development area and subsequently Chief Financial Officer. She formed part of the Boards of Directors of different companies under the TPI Group. In the Hibu Group (formally Yell) she held different managerial positions, such as CEO of Yell for business in Spain and Latin America for 7 years, and as Global General Director of Business Strategy and Development, as well as being a member of its Global Steering Committee, taking part of the company's digital transformation strategy.</p> <p>Furthermore, she was director of Cape Harbor Advisor, Renovalia Energy Group and Technicolor.</p>
Mr. César Cernuda Rego	<p>He holds a Degree in Business Administration and Marketing from the ESIC University, Business &amp; Marketing School, Madrid. Furthermore, he</p>



	<p>participated in the Managerial Development Programme (<i>PDD</i>) at the IESE Business School in Madrid, as well as in the Executive Leadership programme at Harvard University, Massachusetts.</p> <p>He started his professional career in the banking sector at Banco 21 (Banco Gallego) and subsequently worked at Software AG. Over the last 20 years he has held different managerial positions on an international level for Microsoft. These positions include being Managing Director of Microsoft Business Solutions in Europe, the Middle East and Africa; Global Vice-chairman of Microsoft Business Solutions; Vice-chairman of Sales, Marketing and Services at Microsoft Latin America, and Chairman of Microsoft for Asia-Pacific, Chairman of Microsoft Latin America and Vice-chairman of Microsoft Corporation.</p> <p>He is currently Chairman of NetApp, Inc.</p>
Mrs. Concepción Rivero Bermejo	<p>She holds a degree in Economics and Business Administration from the Autonomía University of Madrid, as well as an Advance Management Program from IESE, Madrid, and an Executive Program from Singularity University, California.</p> <p>She is partner of Seeliger y Conde, executive search firm. She started her career at Telyco (a subsidiary of Telefonica) as Product Marketing Director. After that, she was Marketing Director at Amena (now called Orange) and Marketing Director at Xfera (now called Yoigo). Later on, she worked for Nokia as CEO of the Iberia business and as SVP of Telefonica global business at Nokia for 7 years while also serving as a member of the Global Brand Board of the company. After that, she moved to Telefonica as Global Director of the Devices Business Unit, and later, as Global Marketing Director. Her last role at Telefonica was as Deputy General Director of Digital and Commercial Global Unit. Afterwards, she was Senior Advisor at Ericsson and President of the International Women Forum.</p> <p>She currently serves as independent director at Cellnex Telecom (IBEX35). She also serves as member of the advisory board of Mutual Society of Lawyers, Madein Mobile, member of the patronage of Tecnalia, as well as non executive chairman of Pentacom (Onivia). Furthermore, she is today member of the board of the Spanish Directors Association (AED) and Vice-President of International Women Forum Spain.</p>

<b>Total number of independent directors</b>	6
<b>Total % of the board</b>	50%

<b>Remarks</b>
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State whether or not any director classified as independent receives from the company or its group any amount or benefit for items other than director remuneration, or maintains or has maintained during the last financial year a business relationship with the company or with any company of its group, whether in the director's own name or as a significant shareholder, director or senior officer of an entity that maintains or has maintained such relationship.

If applicable, include a reasoned statement of the director regarding the reasons for which it is believed that such director can carry out the duties thereof as an independent director.

Individual or company name of director	Description of the relationship	Reasoned statement

Not applicable.

#### **OTHER EXTERNAL DIRECTORS**

Identify the other external directors and describe the reasons why they cannot be considered proprietary or independent directors as well as their ties, whether with the company, its management or its shareholders:

Individual or company name of director	Reasons	Company, officer or shareholder with which the director has ties	Profile
Mr. Gonzalo Urquijo Fernández de Araoz	He was a director of the Company for a continuous period of over 12 years.	Gestamp Automoción, S.A.	<p>He holds a degree in Economics and Political Science from Yale University, Connecticut and an MBA from Instituto de Empresa, Madrid.</p> <p>He is currently the Executive Chairman of Abengoa. He began his professional career in the banking sector, working in different positions for Citibank and Crédit Agricole. He later became Director and Chief Financial Officer of Corporación J M Aristrain and Chief Financial Officer of Aceralia Corporación Siderúrgica. In the ArcelorMittal Group he held different managerial positions, such as Vice President of Stainless Steel, Long Products and China, Head of the areas of AACIS, AMDS, or Director of Tubular Products, CSR, Communication, Institutional Relations and Occupational Safety. Subsequently, he was Director of Strategy at ArcelorMittal as well as Executive Chairman of Abengoa.</p> <p>He is a member of the Board of Directors of Ferrovial. He is also chairman of Hesperia Foundation and member of the Board of the Princess of Asturias Foundation. He was a member of the Board of Directors of Fertiberia, Holding Gonvarri, and of certain companies in the ArcelorMittal Group as well as of the following listed companies: Abengoa, Aceralia, APERAM, Atlantica Yield y Voco.</p>

<b>Total number of other external directors</b>	1
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<b>Total % of the board</b>	<b>8.33%</b>
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State the changes, if any, in the class of each director during the period:

<b>Individual or company name of director</b>	<b>Date of change</b>	<b>Former class</b>	<b>Current class</b>

<b>Remarks</b>

C.1.4 Complete the following table with information regarding the number of female directors for the last 4 financial years, as well as the status of such directors:

	<b>Number of female directors</b>				<b>% of total directors of each class</b>			
	<b>Year t</b>	<b>Year t-1</b>	<b>Year t-2</b>	<b>Year t-3</b>	<b>Year t</b>	<b>Year t-1</b>	<b>Year t-2</b>	<b>Year t-3</b>
<b>Executive</b>	0	0	0	0	0	0	0	0
<b>Proprietary</b>	0	0	0	0	0	0	0	0
<b>Independent</b>	2	2	1	1	33.33	33.33	20.00	20.00
<b>Other external</b>	0	0	0	0	0	0	0	0
<b>Total:</b>	2	2	1	1	16.66	16.66	8.33	8.33

<b>Remarks</b>

C.1.5 State whether the company has diversity policies in relation to the company's board of directors with regard to issues such as age, gender, disability, or professional training and experience. Small and medium-sized entities, according to the definition contained in the Auditing Act, shall report, as a minimum, on the policy they have established regarding gender diversity.

Yes  No  **Partial Policies**

If so, describe these diversity policies, their objectives, the measures and how they have been implemented and their results for the year. Also state the specific measures adopted by the Board of Directors and the Appointments and Remuneration Committee to achieve a balanced and diverse presence of directors.

If the company does not implement a diversity policy, explain why not.

<b>Description of the policies, objectives, measures and the way in which they have been implemented, as well as the results obtained</b>
The Selection Policy of the Board of Directors approved by the Company's Board of Directors on 14 December 2017, at the proposal of the Nomination and Compensation 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 Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors sets out the knowledge, skills, diversity and experience that the Board of Directors as a whole must possess such that it serves as a reference and support tool for the Selection Policy of the Board of Directors. This guide, approved on 14 December 2017 by the Board of Directors at the proposal of the Nomination and Compensation 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 view of the vacancy that arose during 2019 and in order to comply with the provisions of the Selection Policy of the Board of Directors and the Guidelines for the knowledge, skills, diversity and experience and to promote diversity in the Board, the Nomination and Compensation Committee agreed at its meeting on 25 July 2019 to adopt the measure that, given the equal knowledge and experience of the different candidates, it would be advantageous for the vacancy to be filled by a woman.

In this respect, in accordance with Article 41. 1. (b) of the Board of Directors' Regulations, the Nomination and Compensation Committee verified compliance with the aforementioned Board of Directors Selection Policy at its meeting on 17 December 2020, and no deficiencies in its implementation were identified.

- C.1.6 Explain any measures, if appropriate, approved by the appointments committee in order for selection procedures to be free of any implied bias that hinders the selection of female directors, and in order for the company to deliberately search for women who meet the professional profile that is sought and include them among potential candidates in order to allow for a balanced presence of men and women. Also explain whether these measures includes those to enhance the number of women in the senior management:

As set out in Section C.1.5. of the Board of Directors Selection Policy, which was approved, equal treatment and diversity shall be inspirational principles of director selection processes. The policy establishes that the selection process of possible directors shall be based on an analysis of the duties and the skills required to adequately meet the diversity profile of the Board of Directors, among other profiles, based on that set out in the Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors. The guide contains the main criteria that were followed to design the composition of the current Board of Directors and that are to be followed when it comes to filling future vacancies while no amendments are made.

Some of the stand-out principles include favouring the selection of candidates and the re-election of directors, who have the necessary knowledge and

experience, favouring diversity and preventing discrimination on grounds of gender, among other reasons.

In this sense, as described in section C.1.17, the action plan drawn up by the Nomination and Compensation Committee for the approval of the Board of Directors at its first meeting of 2021, includes some recommendations to be performed, between others, the monitoring of the fulfilment of the diversity principle stated in the Selection Policy of the Board of Directors and the Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors.

Additionally, as mentioned above, , the Company's Nomination and Compensation Committee agreed at its meeting of 25 July 2019 to adopt the measure that, given the equal knowledge and experience of the different candidates, it would be advantageous for the vacancies to be filled by women. In application of said measure, the Board of Directors finally appointed in 2019 Ms. Concepción Rivero Bermejo as a Director through the co-opted process, after a report from the Nomination and Compensation Committee.

If there are few or no female directors despite any measures adopted, if applicable, describe the reasons why:

Explanation of reasons

As referred to in section C.1.5., the Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors establishes as a fundamental principle, the promotion of the selection of candidates who, having the necessary knowledge and experience, benefit diversity, thus preventing discrimination on grounds of gender, among others. Notwithstanding the foregoing, during the 2020 financial year the aforementioned measures could not been because there have been no vacancies during the year due to the expiration of the positions of the Board of Directors (the vast majority of the positions expire in 2021) and, secondly, the first of the two vacancies occurring during the year was caused by the resignation of the Proprietaries Directors Mr. Shinichi Hori and Katsutoshi Yokoi, vacancies that, given his status as a proprietary director, was filled by other Directors, previously proposed as candidates by the shareholder Acek Desarrollo y Gestión Industrial, S.L. (at the proposal of Mitsui, in application of the shareholder agreement described in section A.7).

- C.1.7 Explain the conclusions of the appointments committee regarding verification of compliance with the director selection policy in order to enhance an appropriate composition of the Board.

The Nomination and Compensation Committee at its meeting on 16 December 2020 verified compliance with the Selection Policy of the Board of Directors in financial year 2020. During this year, only two vacancy occurred:

- On one part, in the context of the resignation submitted by Mr. Shinichi Hori and Mr. Katsutoshi Yokoi as proprietary members of the Board of Directors, with effect from 1 April 2020. The Company's Board of Directors formally recognised this resignation and, in accordance to the shareholders agreement between Acek Desarrollo y Gestión Industrial, S.L. and Mitsui & Co. Ltd. described in section A.7., co-opted Mr. Tomofumi Osaki and Mr Norimichi Hatayama as

members of the Board of Directors on a proprietary basis.

Prior to this, given the prospect of the resignation of the referred members, on 1 April 2020 the Nomination and Compensation Committee, in accordance with Article 529r of the Spanish Companies Act and Article 41.1. (f) of the Board of Directors' Regulations, drew up the corresponding report on the proposal for the appointment of Mr. Tomofumi Osaki and Mr Norimichi Hatayama. As stated in the aforementioned report, the Nomination and Compensation Committee took into account the Selection Policy of the Board of Directors and the Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors regarding the Board of Directors in its assessment of the proposed appointment and concluded that Mr. Tomofumi Osaki and Mr Norimichi Hatayama had the competence, experience and merits required to hold the position of member of the Board of Directors of the Company.

- Further on, in May 18, 2020, the Board of Directors submitted the ratification and reelection of the referred directors for the approval of the General Shareholders' Meetings issuing the relevant reports.

Also, in the same date, the Board of Directors submitted the proposal of ratification and reelection of Mrs. Concepción Rivero Bermejo as member of the Board, for the approval of the General Shareholders' Meeting.

- C.1.8 Explain, if applicable, the reasons why proprietary directors have been appointed at the proposal of shareholders whose shareholding interest is less than 3% of share capital:

Individual or company name of shareholder	Reason

State if there has been no answer to formal petitions for presence on the board received from shareholders whose shareholding interest is equal to or greater than that of others at whose proposal proprietary directors have been appointed. If so, describe the reasons why such petitions have not been answered:

Yes  No

Individual or company name of shareholder	Explanation

- C.1.9 State, where applicable, the powers and faculties granted by the board of directors to directors or to board committees:

Individual or company name of director or committee	Explanation
Mr. Francisco José Riberas Mera	In a meeting held on 3 March 2017, the Company's Board of Directors

	appointed Mr. Francisco José Riberas Mera as CEO, delegating to him all the powers inherent to the Board of Directors, including executive powers, except for those which cannot be delegated by law or under the Articles of Association.
Mr. Francisco López Peña	In a meeting held on 14 December 2017, the Company's Board of Directors appointed Mr. Francisco López Peña as CEO, delegating to him all the powers inherent to the Board of Directors, including executive powers, except for those which cannot be delegated by law or under the Articles of Association.

C.1.10 Identify, where applicable, the members of the board who hold the position of directors, representatives of directors or executives in other companies that form part of the listed company's group:

Individual or company name of director	Name of entity within the group	Position	Does he/she have executive duties?
Mr. Francisco José Riberas Mera.	Adral Matricería y Puesta a Punto, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering Deutschland GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering R&D, UK Limited	Chairman	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering R&D USA, Inc	Sole Director	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering Spain, S.L.	Chairman/CEO	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering France, S.A.S.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Tooling Erandio, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Beyçelik Gestamp Otomotiv Sanayi Anonim Sirketi	Vice-chairman	NO
Mr. Francisco José Riberas Mera.	Diede Die Development, S.L.	Representative (natural person) of	YES

		Sole Director (legal person).	
Mr. Francisco José Riberas Mera.	Edscha Automotive Components (Kunshan) Co., Ltd	Chairman	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive Hauzenberg, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive Hengersberg, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive Italia, S.R.L	Chairman	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive Kamenice, S.R.O.	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive Michigan, INC.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive SLP, S.A.P.I. DE C.V.	Chairman	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive SLP Servicios Laborales, S.A.P.I. DE C.V.	Chairman	YES
Mr. Francisco José Riberas Mera.	Edscha North America Technologies, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Edscha Briey, S.A.S.	Chairman	YES
Mr. Francisco José Riberas Mera.	Edscha Burgos, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Edscha Engineering France, S.A.S.	Chairman	YES
Mr. Francisco José Riberas Mera.	Edscha Engineering, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Hauzenberg Real Estate, GmbH & Co KG	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Hengersberg Real Estate, GmbH & Co KG	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Holding, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Hradec, S.R.O.	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Kunststofftechnik, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Edscha Santander, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Edscha Velky Meder, S.R.O.	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Gestamp 2008, S.L.	Chairman/CEO	YES
Mr. Francisco José Riberas Mera.	Gestamp Finance Slovakia, S.R.O.	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Almussafes Mantenimiento de Troqueles, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas	Gestamp Palau, S.A.	Representative	YES



Mera.		(natural person) of sole director (legal person)	
Mr. Francisco José Riberas Mera.	Gestamp Automotive India, Private Limited	Board Member	NO
Mr. Francisco José Riberas Mera.	Gestamp Holding Mexico, S.L	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Holding Argentina, S.L	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Autocomponents Dongguan, Co. Ltd	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Autocomponents Kunshan, Co. Ltd	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Abrera, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Aguas Calientes, S.A. de C.V.	Chairman/CEO	YES
Mr. Francisco José Riberas Mera.	Gestamp Alabama, LLC	Sole director	YES
Mr. Francisco José Riberas Mera.	Gestamp Aragón, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Aveiro- Industria e accesorios de Automoveis, S.A.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Bizkaia, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Cartera de Mexico, S.A. de C.V.	Chairman/CEO	YES
Mr. Francisco José Riberas Mera.	Gestamp Cerveira, Lda	Board Member	YES
Mr. Francisco José Riberas Mera.	Gestamp Chattanooga, LLC	Sole director	YES
Mr. Francisco José Riberas Mera.	Gestamp Esmar, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Estarreja, LDA	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Global Tooling, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Griwe Haynrode, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Griwe Westerburg, GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Hardtech, A.B.	Board Member	NO
Mr. Francisco José Riberas Mera.	Gestamp Holding China, A.B.	Board Member	YES

Mr. Francisco José Riberas Mera.	Gestamp Holding Rusia, S.L.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Hungária Kft	CEO	YES
Mr. Francisco José Riberas Mera.	Gestamp Ingeniería Europa Sur, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Kartek Corp.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Levante, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Linares, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Louny S.R.O.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Manufacturing Autochasis, S.L	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Mason, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Metalbages, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Mexicana de Servicios Laborales, S.A. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Mexicana de Servicios Laborales II, S.A. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Navarra, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp North America, Inc.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp North Europe Services, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Noury S.A.S	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Palencia, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Polska Sp. Z. O. O.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Puebla II, S.A. De C.V.	Chairman	YES
Mr. Francisco José Riberas	Gestamp Puebla S.A. De C.V.	Chairman	YES

Mera.			
Mr. Francisco José Riberas Mera.	Gestamp Ronchamp, S.A.S.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Services India Private Limited	Managing Director/Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Servicios Laborales de Toluca S.A. de C.V	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Servicios, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Solblank Barcelona, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Solblank Navarra, S.L.U.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp South Carolina, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Automotive Chennai Private Limited	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Sweden, A.B.	Board Member	YES
Mr. Francisco José Riberas Mera.	Gestamp Tech, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Toledo, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Toluca S.A. de C.V.	Chairman/CEO	YES
Mr. Francisco José Riberas Mera.	Gestamp Tool Hardening, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Tooling Services, A.I.E.	Representative (natural person) of Managing Director/Chairman (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Vendas Novas Unipessoal, Lda	Board Member	YES
Mr. Francisco José Riberas Mera.	Gestamp Vigo, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Washington UK Limited	Managing Director/Chairman	YES

Mr. Francisco José Riberas Mera.	Gestamp West Virginia, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Automotive Chassis Products UK Limited	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Metal Forming (Wuhan) Ltd.	Managing Director/Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Prisma, S.A.S.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Tallent Limited	Managing Director/Chairman	YES
Mr. Francisco José Riberas Mera.	Beyçelik Gestamp Şasi Otomotiv	Vice-chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Wroclaw Sp.Z.O.O.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Sofedit S.A.S.	Chairman	YES
Mr. Francisco José Riberas Mera.	Ingeniería Global Metalbages, S.A.U.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Loire, S.A.F.E.	Representative (natural person) of Managing Director/Chairman (legal person)	YES
Mr. Francisco José Riberas Mera.	MPO Prodivers Rezistent, Srl	Board Member	NO
Mr. Francisco José Riberas Mera.	Çelik Form Gestamp Otomotiv, A.S.	Chairman	NO
Mr. Francisco José Riberas Mera.	Beyçelik Gestamp Teknoloji Ve Kalip Sanayi Anonim Şirketi	Board Member	NO
Mr. Francisco José Riberas Mera.	Matricería Deusto, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Automated Joining Solutions, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Mexicana de Servicios Laborales S.A. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Societe Civile Immobilière De Tournan	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Pune Automotive Private Limited	Chairman	NO
Mr. Francisco José Riberas Mera.	Todlem, S.L.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Try Out Services, S.L.	Representative (natural person) of sole director (legal person)	YES

Mr. Francisco José Riberas Mera.	Mursolar 21, S.L.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp 2017, S.L.U.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Technology Institute, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Tooling Engineering Deutschland GmbH	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Umformtechnik GmbH	Joint and Several Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Chattanooga II, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering R&D USA, Inc.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Edscha Automotive Slp, S.A.P.I. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Edscha Automotive Slp Servicios Laborales, S.A.P.I. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Auto Components (Wuhan) Co., Ltd.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Auto Components (Chongqing) Co., Ltd.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Auto Components (Shenyang) Co., Ltd.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Nitra, S.R.O.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp San Luis Potosí, S.A.P.I. De C.V	Chairman/CEO	YES
Mr. Francisco José Riberas Mera.	Gestamp San Luis Potosí Servicios Laborales, S.A.P.I. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Washtenaw, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Autotech Engineering (Shanghai) Co., Ltd.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Hot Stamping Japan Co., Ltd.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp (China) Holding Co., Ltd	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Autotech Japan K.K	Board Member	YES
Mr. Francisco José Riberas Mera.	Reparaciones Industriales Zaldibar, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco López Peña	Autotech Engineering France, S.A.S.	Board Member	NO
Mr. Francisco López Peña	Beyçelik Gestamp Otomotiv Sanayi Anonim Sirketi	Board Member	NO
Mr. Francisco López Peña	Edscha Automotive Hauzenberg, GmbH	Joint and Several Director	YES
Mr. Francisco López Peña	Edscha Automotive Hengersberg, GmbH	Joint and Several Director	YES

Mr. Francisco López Peña	Edscha Automotive Italia, S.R.L	Board Member	NO
Mr. Francisco López Peña	Edscha Automotive Kamenice, S.R.O.	Joint and Several Director	YES
Mr. Francisco López Peña	Edscha Engineering France, S.A.S	Board Member	YES
Mr. Francisco López Peña	Edscha Engineering, GmbH	Joint and Several Director	YES
Mr. Francisco López Peña	Edscha Hauzenberg Real Estate, GmbH & Co KG	Joint and Several Director	YES
Mr. Francisco López Peña	Edscha Hengersberg Real Estate, GmbH & Co KG	Joint and Several Director	YES
Mr. Francisco López Peña	Edscha Holding, GmbH	Joint and Several Director	YES
Mr. Francisco López Peña	Edscha Hradec, S.R.O.	Joint and Several Director	YES
Mr. Francisco López Peña	Edscha Kunststofftechnik, GmbH	Joint and Several Director	YES
Mr. Francisco López Peña	Edscha Velky Meder, S.R.O.	Joint and Several Director	YES
Mr. Francisco López Peña	Gestamp 2008, S.L.	Board Member	NO
Mr. Francisco López Peña	Gestamp Autotech Japan K.K	Board Member	NO
Mr. Francisco López Peña	Gestamp Finance Slovakia, S.R.O.	Joint and Several Director	YES
Mr. Francisco López Peña	Gestamp Automotive India, Private Limited	Board Member	NO
Mr. Francisco López Peña	Gestamp Holding Mexico, S.L	Board Member	NO
Mr. Francisco López Peña	Gestamp Holding Argentina, S.L	Board Member	NO
Mr. Francisco López Peña	Gestamp Autocomponents Dongguan, Co. Ltd	Board Member	NO
Mr. Francisco López Peña	Gestamp Autocomponents Kunshan, Co. Ltd	Board Member	NO
Mr. Francisco López Peña	Gestamp Auto Components (Shenyang) Co., Ltd.	Board Member	NO
Mr. Francisco López Peña	Gestamp Auto Components (Tianjin) Co., Ltd.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Auto Components Sales (Tianjin) Co., Ltd.	Chairman	YES
Mr. Francisco López Peña	Gestamp Auto Components (Beijing) Co.,	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Aguas Calientes, S.A. De C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Aveiro- Industria E Acessorios De Automoveis, S.A.	Board Member	NO
Mr. Francisco López Peña	Gestamp Cartera De Mexico, S.A. De C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Cerveira, Lda	Board Member	YES
Mr. Francisco López Peña	Gestamp Estarreja, LDA	Board Member	YES
Mr. Francisco López Peña	Gestamp Holding China, Ab	Board Member	NO
Mr. Francisco López Peña	Gestamp Holding Rusia, S.L.	Board Member	NO
Mr. Francisco López Peña	Gestamp Kartek Corp.	Board Member	NO
Mr. Francisco López Peña	Gestamp Mexicana de Servicios Laborales, S.A. De C.V.	Vice-chairman	NO
Mr. Francisco López Peña	MPO Prodivers Rezistent, Srl	Board Member	NO
Mr. Francisco López Peña	Çelik Form Gestamp Otomotiv, A.S.	Board Member	NO

Mr. Francisco López Peña	Beyçelik Gestamp Teknoloji Ve Kalip Sanayi Anonim Şirketi	Board Member	NO
Mr. Francisco López Peña	Gestamp Mexicana de Servicios Laborales II, S.A. De C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp North America, Inc.	Board Member	NO
Mr. Francisco López Peña	Gestamp Noury S.A.S	Board Member	NO
Mr. Francisco López Peña	Gestamp Puebla II, S.A. De C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Puebla S.A. De C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Ronchamp, S.A.S.	Board Member	YES
Mr. Francisco López Peña	Gestamp Servicios Laborales de Toluca S.A. de C.V	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Automotive Chennai Private Limited	Board Member	NO
Mr. Francisco López Peña	Gestamp Toluca S.A. de C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Vendas Novas Unipessoal, Lda	Board Member	NO
Mr. Francisco López Peña	Gestamp Metal Forming (Wuhan) Ltd.	Board Member	NO
Mr. Francisco López Peña	Gestamp Tallent Limited	Board Member	NO
Mr. Francisco López Peña	Sofedit S.A.S.	Board Member	NO
Mr. Francisco López Peña	GMF Holding GmbH	Joint and Several Director	YES
Mr. Francisco López Peña	Beyçelik Gestamp Şasi Otomotiv	Board Member	NO
Mr. Francisco López Peña	Mexicana de Servicios Laborales S.A. de C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Pune Automotive Private Limited	Board Member	NO
Mr. Francisco López Peña	Todlem, S.L	Board Member	NO
Mr. Francisco López Peña	Mursolar 21, S.L	Board Member	NO
Mr. Francisco López Peña	Gestamp Auto Components (Wuhan) Co., Ltd.	Board Member	NO
Mr. Francisco López Peña	Gestamp Auto Components (Chongqing) Co., Ltd.	Board Member	NO
Mr. Francisco López Peña	Gestamp San Luis Potosí, S.A.P.I. De C.V	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp San Luis Potosí Servicios Laborales, S.A.P.I. De C.V.	Vice-chairman	NO
Mr. Francisco López Peña	Gestamp Hot Stamping Japan Co., Ltd.	Board Member	NO
Mr. Francisco López Peña	Gestamp (China) Holding Co., Ltd	Board Member	NO
Mr. Juan María Riberas Mera	Beyçelik Gestamp Otomotiv Sanayi Anonim Şirketi	Board Member	NO
Mr. Juan María Riberas Mera	Gestamp Automotive India, Private Limited	Board Member	NO
Mr. Juan María Riberas Mera	Gestamp Holding Mexico, S.L	Board Member	NO
Mr. Juan María Riberas Mera	Gestamp Holding Argentina, S.L.	Board Member	NO
Mr. Juan María Riberas Mera	Gestamp Holding Rusia, S.L.	Board Member	NO
Mr. Juan María Riberas Mera	Gestamp North America, Inc.	Board Member	NO
Mr. Juan María Riberas Mera	Todlem, S.L	Secretary	NO
Mr. Tomofumi Osaki	Gestamp Holding Mexico, S.L.	Board Member	NO
Mr. Tomofumi Osaki	Gestamp Holding Argentina, S.L.	Board Member	NO

Mr. Tomofumi Osaki	Gestamp North America, Inc.	Board Member	NO
Mr. Norimichi Hatayama	Gestamp North America, Inc.	Board Member	NO
Mr. Norimichi Hatayama	Gestamp Holding Argentina, S.L.	Board Member	NO
Mr. Norimichi Hatayama	Gestamp Holding Mexico, S.L.	Board Member	NO

<b>Remarks</b>

C.1.11 Identify, where applicable, the directors or representatives of legal entity directors of your company, who are members of the board of directors or representatives of legal entity directors of other companies listed on official stock exchanges other than those of your group, that have been reported to the company:

Individual or company name of director	Name of listed company	Position
Ms. Ana García Fau	Merlin Properties Socimi, S.A.	Board Member
	Eutelsat Communications, S.A.	Board Member
Mr. Francisco José Riberas Mera	CIE Automotive, S.A.	Board Member
	Telefónica, S.A.	Board Member
	General de Alquiler de Maquinaria, S.A.	Board Member
Mr. Juan María Riberas Mera	CIE Automotive, S.A.	Board Member
	Global Dominion Access, S.A.	Board Member
Mr. Pedro Sainz de Baranda Riva	Naturgy Energy Group, S.A.	Board Member
Mr. Gonzalo Urquijo Fernández de Araoz	Ferrovial, S.A.	Board Member
Mrs. Concepción Rivero Bermejo	Cellnex Telecom, S.A.	Board Member

<b>Remarks</b>

C.1.12 State and, where applicable explain, whether or not the company has established any rules regarding the maximum number of company boards on which its directors may sit, identifying, in turn, where it is regulated:

Yes                       No

<b>Explanation of the rules and identification of the document where it is regulated</b>
Pursuant to the provisions under Article 17 of the Regulations of the Board of Directors, natural persons who represent a legal entity Director and natural persons or legal entities who hold the position of director of more than eight (8) companies, of



which, at most, four (4) have their shares admitted to trade on national or foreign stock exchanges, may not be directors. For that purpose, positions held in asset-holding companies shall be excluded from the count and companies belonging to the same group are to be considered as one company.

C.1.13 State the amounts of the following items relating to the overall remuneration of the Board of Directors:

<b>Remuneration accrued in the year by the board of directors (thousands of euros)</b>	2,089.95
<b>Amount of pension rights accumulated by the current directors (thousands of euros)</b>	0
<b>Amount of pension rights accumulated by former directors (thousands of euros)</b>	0

<b>Remarks</b>
<p>The remuneration accrued in the year by the board of directors includes the reductions voluntary assumed by the members of the Board as consequence of the sanitary crisis derived by the COVID-19. This reductions have been the following:</p> <ul style="list-style-type: none"> <li>• <b>Directors in their condition as such: Reduction of 15% of total remuneration (fixed) for the year 2020.</b></li> <li>• <b>Executive Chairman: 50% off of his fixed remuneration for the year 2020.</b></li> <li>• <b>CEO: 15% off of his fixed remuneration between May and October of 2020.</b></li> </ul>

C.1.14 Identify the members of the company's senior management who are not executive directors and state the total remuneration accrued by them during the financial year:

<b>Individual or company name</b>	<b>Position/s:</b>
Mr. Manuel de la Flor Riberas	General Manager of Human Resources and Organisation
Mr. David Vázquez Pascual	General Manager of Legal, Tax and Corporate Governance
Mrs. Carmen de Pablo Redondo	Chief Financial Officer
Mr. Mario Eikelmann	Manager of the Chassis Business Unit and Sales Director of BIW
Mr. Fernando Macias Mendizabal	Manager of South Europe Division
Mr. Manuel López Grandela	Manager of the Mercosur Division
Mr. Juan Miguel Barrenechea Izarzugaza	Manager of the North America Division
Mr. Kevin Stobbs	Manager of the Asia Division
Mr. Torsten Greiner	Manager of the Business Mechanism Unite (Edscha)
Mr. Mario Eikelmann	Manager of the Chassis Business Unit and Sales Director of BIW
Mr. Javier Ignacio Imaz	Sales Manager

Number of woman senior managers

1

Porcentaje sobre el total de miembros de la alta dirección 10%

<b>Total senior management remuneration (in thousands of euros)</b>	4,256
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<b>Remarks</b>
The total remuneration figure for Senior Management also includes the 15% reductions of the fixed remuneration voluntary assumed by the senior managers as consequence of the sanitary crisis derived by the COVID-19.

C.1.15 State whether or not the regulations of the board have been amended during the financial year:

Yes

No

<b>Description of amendments</b>

In a meeting of the Board of Directors on 17 December 2020 and following a favourable report by the Audit Committee, certain amendments to the Regulations of the Company's Board of Directors were approved in order to, among other aspects, adapt them to the reform of the Good Governance Code for Listed Companies revised by the CNMV in June 2020.

In this regard, the following amendments have been made:

- Adaptation of Article 14 deriving from the new wording of Recommendation 4 relating to the relationship with shareholders, institutional investors and voting advisors.
- Adaptation of Articles 15 and 40 deriving from the new wording of Recommendation 8 relating to information transparency.
- Adaptation of Article 7 deriving from the new wording of Recommendation 14 relating to the director selection policy.
- Adaptation of Articles 20 and 22 deriving from the new wording of Recommendation 22 relating to the removal and resignation of directors.
- Adaptation of Article 20 deriving from the new wording of Recommendation 24 relating to the removal and resignation of directors.
- Adaptation of Article 38 deriving from the new wording of Recommendation 37 relating to composition of the executive committee.
- Adaptation of Article 40 deriving from the new wording of Recommendation 39 relating to qualitative composition of the audit committee.
- Adaptation of Article 40 deriving from the new wording of Recommendation 41 relating to the head of internal auditing.
- Adaptation of Article 40 deriving from the new wording of Recommendation 42 relating to the functions of the audit committee.
- Adaptation of Articles 8 and 40 deriving from the new wording of Recommendation 45 relating to the risk control and management policy.

- Adaptation of Article 40 deriving from the new wording of Recommendations 53 and 54 on the environmental, social and corporate governance policies.
- Adaptation of Articles 8 and 40 deriving from the new wording of Recommendation 55 on sustainability and on environmental and social aspects.
- Other amendments or improvements of a technical or wording nature on articles 1, 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 19, 20, 21, 22, 25, 28, 29, 30, 31, 32, 33, 34, 36, 37, 38, 39 and 40.

In compliance with Article 5.5 of the Regulations of the Board of Directors, the Company shall inform shareholders of amendments made to said regulations. To do that, a specific point shall be included on the agenda of the 2021 General Shareholders' Meeting.

- C.1.16 State the procedures for the selection, appointment, re-election and removal of directors. Describe the competent bodies, procedures to be followed and the criteria to be used in each procedure.

#### **Selection**

The aim of the Board of Directors Selection Policy is to establish the criteria, procedures and mechanisms that allow, as a whole, the Board of Directors to bring together sufficient knowledge, skills and experience to ensure appropriate governance of the company at all times.

The selection process of possible directors is to be based on an analysis of the duties and the skills required to adequately meet the profile of knowledge, skills, diversity and knowledge of the Board of Directors, based on that set out in the Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors and the Experience, Skills and Knowledge Matrix approved by the Nomination and Compensation Committee on October 31, 2019. The analysis will be undertaken by the Board of Directors, with advice from the Appointments and Remuneration Committee.

The outcome of such analysis will be set out in a justification report of the Board of Directors and of the Nomination and Compensation Committee. The justification report will be published on calling the General Shareholders' Meeting where the appointment or re-election of each director will be subject to ratification.

According to the needs to cover relating to the Board of Directors that the analysis detects, the Board of Directors, with support or guidance from the Nomination and Compensation Committee, will establish the minimum criteria that a candidate must meet to be considered in the selection process for the purpose of being appointed or re-elected as a member of the Board of Directors.

In the event of appointing Independent Directors, they may be considered as candidates from different external selection sources.

The Nomination and Compensation Committee, pursuant to the conducted prior analysis and establishment of the profile of potential director candidates, will submit a proposal to the Board of Directors regarding the

appointment or re-election of Independent Directors and it will draw up a justification report on said proposal and on the proposal of the other directors.

The Board of Directors will analyse the proposal and the justification report submitted by the Nomination and Compensation Committee. It will consider all of the information available for such purpose and it may decide, if appropriate, to submit its own proposal, or that produced by the Nomination and Compensation Committee, to approval of the General Shareholders' Meeting or, if appropriate, to undertake the appointment by means of co-option.

#### **Appointment and re-election**

The appointment and re-election of the members of the Board of Directors is governed under Article 16 and subsequent articles of the Regulations of the Board of Directors of the Company.

In this respect, it corresponds to the General Shareholders' Meeting to appoint and re-elect the members of the Board of Directors, without prejudice to the power of the Board of Directors to appoint members of the Board under its own powers of co-option.

The appointment or re-election of directors will be undertaken at the proposal of the Board of Directors in the case of non-Independent Directors. In the event of appointing or re-electing Independent Directors, the proposal must be undertaken by the Nomination and Compensation Committee. In any case, the referred to proposals must precede the report of the Nomination and Compensation Committee and the report of the Board of Directors.

#### **Removal**

As regards the removal of members of the Board of Directors, Article 20 of the Regulations of the Board of Directors establishes the reasons for which a director should relinquish his or her position. Directors who step down from their position before the end of their term in office, shall send a letter setting out their reasons for such move to all of the members of the Board (as stated in section C.1.19 of this report). Without prejudice to the fact that all the information is contained in the Annual Corporate Governance Report, the Company shall publish, as soon as possible and to the extent relevant for investors, the resignation in question, providing sufficient information on the reasons or circumstances given by the director.. Furthermore, said Article sets out the powers of the Board of Directors to propose the removal of its members to the General Shareholders' Meeting. As regards Independent Directors, only the Board of Directors may propose their removal, before the expiry of the term under the Bylaws for which they were appointed, when there is just cause, a takeover bid, merger or another similar corporate transaction that entails a change in the capital structure, and prior report of the Nomination and Compensation Committee.

C.1.17 Explain the extent to which the annual assessment of the board has led to

Description of amendments

significant changes in its internal organisation and the procedures applicable to its activities:

Pursuant to Article 36 of the Regulations of the Company's Board of Directors, the Board shall devote the first of its meetings of the year 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 undertaking of its functions by the Chairman of the Board of Directors and, should the position be held by a different person, by the chief executive of the Company, based on the report submitted to them by the Nomination and Compensation Committee; as well as (ii) the functioning of the Committees of the Board of Directors, based on the report they submit to it.

In this regard, the Nomination and Compensation Committee, at the request of the Chairman of the Board of Directors, began the coordination of the annual evaluation of the Board of Directors at its meeting on 29 October 2020, the results and action plan of which were addressed by the Board of Directors at its first meeting in 2021. In this respect, the action plan approved by the Board of Directors in relation to the result of the evaluation corresponding to financial year 2020 includes some recommendations to be carried out in 2021. Therefore, it is highlighted the a more dedication to EGS and Strategic matter being considered the possibility of constituting an internal committee that would address matters related to technology, sustainability or innovation. Also, the fulfilment of the diversity principle stated in the Selection Policy of the Board of Directors and the Guidelines for the knowledge, skills, diversity and experience required on the Board of Directors will be monitored by the Nomination and Compensation Committee.

Describe the evaluation process and the areas evaluated by the board of directors assisted, where appropriate, by an external consultant, regarding the operation and composition of the board and its committees and any other area or aspect that has been subject to evaluation.

The evaluation process of the Company's Board of Directors began on 29 October 2020 and was coordinated by the Nomination and Compensation 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 this year has received advice from an external consultant that has helped in the evaluation process, consisting fundamentally of completing an evaluation form, the conducting of personal interviews between the external consultant and every member of the Board of Directors, the issuance of an evaluation report and the preparation of an action plan.

. The areas evaluated were as follows:

- Quality and efficiency of the Board of Directors.
- Diversity in the composition and functions of the Board of Directors.
- Performance of the Chairman of the Board of Directors.

- Performance of the CEO of the Company.
- Performance of the Secretary of the Board of Directors.
- Functioning and composition of the Audit Committee.
- Functioning and composition of the Nomination and Compensation Committee.

On 16 December 2020 the results of the evaluation were presented to the Nomination and Compensation Committee, as well as those regarding the evaluation of the Board of Directors, the Chairman of the Board of Directors, the CEO and the Secretary of the Board. On December 7, 2020 results were present on the Audit Committee. After analysing the results, each of the Committees issued a report on the evaluation. In addition, the Nomination and Compensation Committee with the advice of the external auditor, has approved 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, in line with the provisions of Article 36 of the Board of Directors' Regulations.

- C.1.18 For any years where the evaluation was assisted by an external consultant, list the business relationships between the consultant or any company in their group and the company or any company of its group.

As has been referred to in section C.1.17, this year, for the first time, and in compliance with Recommendation 36 of the Good Governance Code for Listed Companies, an external consultant has been used in evaluating the Board of Directors. In this regard, the Gestamp Group has not had any business relations with the external consultant beyond that of this service.

- C.1.19 State the circumstances under which the resignation of directors is mandatory.

- As set out in Article 20 of the Regulations of the Board of Directors, Directors must tender their resignation to the Board of Directors and actually resign if the Board considers it necessary at the request of a majority of two thirds of its membership and following a report in that regard from the Appointments and Remuneration Committee when they leave the posts, positions or duties with which their appointment as executive directors is associated;
- in the case of proprietary directors, when the shareholder whose interests they represent sells their entire shareholding, or when they sell an appropriate number of shares so that their shareholding in the Company is reduced;
- in the case of independent directors, when any of the circumstances which in accordance with the law prevents them from continuing to be considered as such suddenly occurs.
- when they are involved in any situation of incompatibility or prohibition provided for by law;
- when the Board is aware of a serious breach of their duties as directors, following a proposal or report by the Appointments and Remuneration Committee;
- when situations arise that affect them, whether or not related to their work in or for the Company, that could jeopardize its credit and

reputation.

when they lose respectability, capability, expertise, competence, availability or commitment to their duties to be a director of the Company. In particular, it is understood that this circumstance occurs when the director is indicted or summoned in criminal proceedings.

C.1.20 Are qualified majorities, different from the statutory majorities, required to adopt any type of decision?

Yes

No

If so, describe the differences.

Description of the differences

C.1.21 Explain whether or not there are specific requirements, other than the requirements relating to directors, to be appointed chairman of the board of directors.

Yes

No

Description of requirements

Neither the By-laws nor the Regulations of the Board of Directors establishes specific requirements different from those relating to directors being appointed as Chairman of the Board of Directors. However, in accordance with the provisions in the Board of Directors Selection Policy, it must ensure the capacity of candidates, standing for the position of Chairman of the Board of Directors, in terms of undertaking the position and, in particular, of undertaking the duties relating to the organisation and functioning of the Board of Directors.

C.1.22 State whether or not the articles of association or the regulations of the board set forth any age limit for directors:

Yes

No

	Age limit
<b>Chairman</b>	
<b>CEO</b>	
<b>Board Member</b>	

Remarks

C.1.23 State whether or not the articles of association or the regulations of the Board establish any limit on the term of office or any other stricter requirements in addition to those legally stipulated for independent directors, other than what is established in the regulatory provisions:

Yes

No

<b>Additional requirements and / or maximum number of terms</b>	
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C.1.24 State whether or not the articles of association or the regulations of the Board set out any specific rules for proxy-voting by means of other directors at meetings of the board of directors, the manner of doing so, and especially the maximum number of proxies that a director may hold, as well as whether or not any restriction has been established regarding the categories of directors to whom proxies may be granted beyond the restrictions imposed by law. If so, briefly describe such rules.

Pursuant to Article 19 of the Articles of Association and Article 36 of the Regulations of the Board of Directors, in the event that the directors cannot attend sessions of the Board of Directors in person, they may delegate their vote to another Director, together with the appropriate instructions, by means of a letter addressed to the Chairman.

In this respect, such representation shall be specially granted for each session and the Chairman shall decide, where doubt exists, on the validity of the proxies granted by directors who do not attend the session.

Non-Executive Directors may only delegate their representation to another non-Executive Director.

C.1.25 State the number of meetings that the board of directors has held during the financial year. In addition, specify the number of times the board has met, if any, at which the chairman was not in attendance. Proxies granted with specific instructions shall be counted as attendance.

<b>Number of meetings of the board</b>	9
<b>Number of meetings of the board at which the chairperson was not in attendance</b>	0

<b>Remarks</b>

State the number of meetings held by the coordinating director with the other directors, without the attendance or representation of any executive director:

<b>Number of meetings</b>	0
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<b>Remarks</b>

State the number of meetings held by the different committees of the board of directors during the financial year:

<b>Number of meetings of the Executive or delegated Committee</b>	N/A
<b>Number of meetings of the Audit Committee</b>	10



<b>Number of meetings of the Appointments and Remuneration Committee</b>	7
<b>Number of meetings of the Appointments Committee</b>	N/A
<b>Number of meetings of the Remuneration Committee</b>	N/A
<b>Number of meetings of the Committee _____</b>	N/A

C.1.26 State the number of meetings that the board of directors has held during the financial year and the data regarding member attendance:

<b>Number of meetings attended in person by at least 80% of the directors</b>	9
<b>% personal attendance out of total votes during the financial year</b>	99.07%
<b>Number of meetings attended in person, or by representatives with specific instructions, by all directors</b>	9
<b>% votes cast with personal attendance and representatives with specific instructions, out of the total votes during the financial year</b>	100%
<b>Remarks</b>	

C.1.27 State whether or not the annual individual accounts and the annual consolidated accounts that are submitted to the board for approval are previously certified:

Yes  No

Identify, where applicable, the person(s) that has(have) certified the individual and consolidated financial statements of the company for preparation by the board:

Name	Position
Mrs. Carmen de Pablo Redondo	Chief Financial Officer

Remarks
In accordance with Article 11.1 of the Regulations of the Company's Board of Directors, the Company's individual and consolidated financial statements are previously certified regarding their completeness and accuracy by the Company's Chief Financial Officer, with the approval of the Chairman.

C.1.28 Explain the mechanisms, if any, adopted by the board of directors to avoid any qualifications in the audit report on the individual and consolidated financial statements prepared by the board of directors and submitted to the shareholders at the general shareholders' meeting.

In accordance with the provisions under Article 15 and 40 of the Regulations of the Board of Directors of the Company, the Board of Directors shall seek to definitively prepare the financial statements in such a way that there is no qualification or reservation whatsoever by the auditors. However, when the Board of Directors considers that its criteria should be maintained, the Chairman of the Audit Committee shall explain to the shareholders the

content and scope of said qualifications or reservations at the corresponding General Shareholders' Meeting where the financial statements are submitted for approval.

Furthermore, among the duties of the Audit Committee of the Company that are set out in Article 40 of the Regulation of the Board of Directors, is the duty of informing the Board of Directors on the financial information that, due to its listed status, the Company must periodically make public, as well as the duty of supervising the preparation process, integrity and presentation of regulated financial reporting on the Company, checking that regulatory requirements are met and accounting criteria are correctly applied, thereby increasing the likelihood that there are no reservations in the annual audit reports.

Furthermore, during the year the Audit Committee and its Secretary have held meetings with the external auditor without the presence of the Management to ensure the auditing process of the individual and consolidated financial statements is undertaken correctly.

C.1.29 Is the secretary of the board a director?

Yes

No

If the secretary is not a director, complete the following table:

Individual or company name of the secretary	Representative
Mr. David Vázquez Pascual	N/A

Remarks

C.1.30 State the specific mechanisms established by the company to preserve the independence of the external auditors and also the mechanisms, if any, to preserve the independence of financial analysts, investment banks and rating agencies, including how the legal provisions have been implemented in practice.

The Company has established diverse mechanisms aimed at preserving the necessary independence of the auditor. Among them is one of the fundamental competencies of the Audit Committee (exclusively comprised by non-Executive directors, who were appointed based on their knowledge and experience in accounting, auditing and risk management, and with the majority of independent directors –including the Chairman–), which consists of monitoring the independence of the auditor and, particularly, of receiving information on matters that could put such audit at risk.

For such purpose, Article 40 of the Regulations of the Board of Directors establishes that the Audit Committee is entrusted with the following duties:

- Submitting proposals on the selection, appointment, re-election and replacement of the auditor.

- Receiving information and studying issues that may put the independence of the auditor at risk.
- Issuing once a year, prior to issuance of the auditor's report, a report expressing an opinion about the independence of the auditor of the financial statements. It must also expressly discuss the additional services provided by the auditor.

For that purpose, and in any case, the Audit Committee shall receive from the auditor the written confirmation of his or her independence in relation to the Company or to the companies connected with it, whether directly or indirectly, as well as detailed and itemised information on any kind of additional services provided and on the corresponding fees (including those provided by persons or companies connected to them), pursuant to the provisions in the legislation on the auditing of financial statements.

Furthermore, the Company has implemented mechanisms that govern the relationships of the Board of Directors with the auditor of the financial statements, ensuring that his or her independence is strictly respected. As established in Article 15 of the Regulation of Board of Directors:

- The Boards relationship with the auditor of the Company's financial statements and of the group's consolidated statements, shall be channelled through the Audit Committee.
- To prevent the work-related remuneration of external auditors from compromising their quality and independence, the Board of Directors shall not propose the hiring of auditing firms when the fees envisaged (for all concepts) exceed ten per cent of the revenue of said firm in Spain in the previous financial year.
- The Board of Directors shall seek to shall seek to definitively prepare the financial statements without qualifications or reservations of the auditor; however, when the Board of Directors considers that its criteria should be maintained, the Chairman of the Audit Committee shall explain to the shareholders the content and scope of such qualifications or reservations at the corresponding General Shareholders' Meeting where the financial statements are submitted for approval.
- The plenary session of the Board of Directors shall hold a meeting once a year with the auditor of the financial statements, in which the auditor shall report on the work undertaken, the evolution of the accounting situation and the risks to the Company.

Also, in compliance with the recommendations set out in Technical Guide 3/2017 of the National Securities Market Commission on audit committees of public interest entities, the Audit Committee, in its meeting on 28 June 2018, approved the Policy for the approval of services by the external auditor other than the auditing of the Company's financial statements which is intended as a series of criteria and procedures for the approval of non-prohibited services other than the auditing of financial statements provided by the external auditor.

In relation to the mechanisms established to preserve the independence of financial analysts, investment banks and rating agencies, on 24 February 2021, Board of Directors of the Company approved the Policy on Communication and Contact with Shareholders, Investors and Voting

Advisors which (i) establishes the basic principles that are to govern the Company's communication and contacts with its shareholders, institutional investors, voting advisors and other stakeholders, such as intermediary financial institutions, managers and depositories of the Company's shares, financial analysts, regulatory and supervisory bodies, rating agencies, information agencies and such like, and (ii) defines the communication channels that the Company makes available to them to maintain communication that is efficient, transparent and ongoing.

Furthermore, the Company has an Investor Relations Department which continuously deals with queries and recommendations from analysts and investors, rating agencies, bondholders, as well as those made by socially responsible investors (SRI). A telephone number and email address have been set up for such purpose.

C.1.31 State whether or not the Company has changed the external auditor during the financial year. If so, identify the incoming and the outgoing auditor:

Yes  No

Outgoing auditor	Incoming auditor

Remarks

If there has been any disagreement with the outgoing auditor, provide an explanation:

Yes  No

Description of the disagreement

C.1.32 State whether or not the audit firm performs other non-audit work for the company and/or its group. If so, state the amount of the fees paid for such work and the percentage they represent of the aggregate fees charged to the company and/or its group:

Yes  No

	Company	Companies of the Group	Total
Amount of other non-audit work (thousands of euros)	19	886	905
Amount of non-audit work / Amount of audit work (in %)	4%	25%	27%

Remarks
The total amount of the audit work for the Company amounts to 3,938

<p>thousands of euros and includes fees related to (i) the legal audit of the individual and consolidated annual financial statements of the Group (ii) the review of the non-financial information of the consolidated management report and of the Sustainability Report for the year 2020 and (iii) some ratio reports and (iv) agreed procedures.</p>
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C.1.33 State whether the audit report on the financial statements for the prior financial year has observations or qualifications. If so, state the reasons given to the general meeting by the chairperson of the audit committee to explain the content and scope of such observations or qualifications.

Yes  No

<b>Explanation of reasons</b>

C.1.34 State the consecutive number of years for which the current audit firm has been auditing the financial statements of the company and/or its group. In addition, state the percentage represented by such number of financial years audited by the current audit firm with respect to the total number of financial years in which the statements have been audited:

	<b>Individual</b>	<b>Consolidated</b>
<b>Number of continuous financial years</b>	22	19

	<b>Individual</b>	<b>Consolidated</b>
<b>Number of years audited by the current audit firm / Number of years that the company or its group has been audited (%)</b>	96%	100%

<b>Remarks</b>

C.1.35 State whether or not there is any procedure for directors to obtain in good time the information required to prepare for meetings of management-level decision-making bodies and, if so, describe it:

Yes  No

<b>Describe the procedure</b>

As set out in Article 36 of the Regulations of the Board of Directors, annual meetings of the Board of Directors shall be convened with at least five (5) days' notice before the meeting is to be held. However, normally the sessions of the Board of Directors of the Company are called with a more extensive

time margin than that stated in the Regulations of the Board of Directors.

The agenda of the session, the date and place will always be included in the call of each meeting. The relevant documentation required so that the members of the Board can formulate their opinion and, if appropriate, cast their vote regarding the matters submitted for their consideration, is to be made available as soon as possible.

In this regard, in accordance with the provisions of Articles 19 of the Articles of Association and 30 and 34 of the Regulations of the Board of Directors, the person responsible for ensuring that the Directors receive all the necessary information in sufficient time and in the appropriate format is the Chairman of the Board of Directors, with the collaboration of the Secretary.

Furthermore, Article 22 of the Regulation of the Board of Directors establishes the duty of directors to sufficiently find out about and prepare for meetings of the Board and of the delegated bodies to which they belong, seeking sufficient information for it and the collaboration or assistance that they deem appropriate, which is to be paid for by the company.

In addition, Article 27 of the Regulations of the Board of Directors grants Directors the power to study the documentation deemed necessary, contact the heads of the departments affected and visit the corresponding facilities. For that purpose, the request shall be channelled through the secretary of the Board of Directors. Should it be rejected, delayed or incorrectly handled, it will be sent to the Audit Committee. In the event that said request is unnecessary or hinders the interests of the Company, it shall be definitively rejected.

C.1.36 State whether or not the company has established any rules requiring directors to inform the company —and, if applicable, resign from their position— in cases in which the credit and reputation of the company may be damaged:

Yes  No

<b>Explain the rules</b>

Pursuant to the provisions under Article 22 of the Regulations of the Board of Directors, among the duties of directors, is the duty to notify the Company of any type of judicial or administrative claim, or any other, in which they are involved that, due to its importance, could have a serious impact on the credit and reputation of the Company. In particular, all directors shall inform the Company if they are being investigated in a criminal cause and related court events. In this case, the Board of Directors, previous report issued by the Nomination and Compensation Committee, will adopt the relevant decision considering the Company interest.

Furthermore, Article 20 of the Regulation of the Board of Directors establishes the obligation of directors to relinquish to the Board of directors their position and to formalise, if applicable, the corresponding resignation, by request of the 2/3 of the Board, and previous favourable report issued by

the Nomination and Compensation Committee, when they no longer have the honour, suitability, solvency, competence, availability or commitment to their duties to be a director of the Company. In particular, it is understood that this circumstance arises in the event the director is being investigated in a criminal cause.

- C.1.37 Indicate, unless special circumstances have arisen that have been noted in the minutes, if the Board has been informed of or has somehow found out about a situation that affects a director, whether relating or not to his/her actions within the company, that may hinder its standing and reputation:

Yes  No

Name of director	Criminal case	Remarks

In the previous circumstance, state whether or not the Board of Directors has examined the case. If yes, give a reasoned explication on whether or not, according to the specific circumstances, measures have been adopted, such as the launching of an internal investigation, requesting the resignation of the director or proposing his/her dismissal. Furthermore, state whether or not the Board's decision was made with a report from the appointments committee.

Yes  No

Decision made / action taken	Duly substantiated explanation

- C.1.38 Describe any significant agreements entered into by the company that take effect, are amended, or terminate in the event of a change in control of the company as a result of a takeover bid, and the effects thereof.

There are none.

- C.1.39 Identify, on an individual basis in reference to directors, and on an aggregate basis for all other cases, and provide a detailed description of the agreements between the company and its management level and decision-making positions or employees that provide for compensation, guarantee or “golden parachute” clauses upon resignation or termination without cause, or if the contractual relationship is terminated as a result of a takeover bid or other type of transaction.

**Number of beneficiaries:** 1

**Type of beneficiary:**

CEO (Mr. Francisco Riberas Mera)

**Description of agreement:**

Gross severance equivalent to two (2) years of the fixed and variable remuneration that was in effect on the date of termination, when it arose through a unilateral decision of the Company.

**Number of beneficiaries:** 1

**Type of beneficiary:**

CEO (Mr. Francisco López Peña)

**Description of agreement:**

Severance pay equivalent to the fixed remuneration received at the time of dismissal or resignation, which the director would have received had he/she continued in the position from the dismissal date up until the termination date of his/her contract –up to a maximum of two years of fixed remuneration–, when the dismissal was a unilateral decision by the Company or when the resignation of the Executive Director was a result of changes in control of the Company.

**Number of beneficiaries:** 1

**Type of beneficiary:**

Senior Management

**Description of agreement:**

A member of Senior Management in the Company is to receive a 12-month notice period in the event that the Company terminates the working relationship or, alternatively, severance pay equivalent to the sum of remuneration corresponding to one year's fixed and variable salary, which was in effect on the date of termination.

State whether or not, beyond the cases set out in the regulations, such agreements have to be reported and/or approved by the decision-making bodies of the company or its group. If so, specify the procedures, cases set out and the nature of the decision-making bodies responsible for approving or reporting them:

	<b>Board of directors</b>	<b>General Shareholders' Meeting</b>
<b>Decision-making body approving the provisions</b>	Yes	No

	<b>Y E S</b>	<b>NO</b>
<b>Is the General Shareholders' Meeting informed of such provisions?</b>		x

<b>Remarks</b>

**C.2 Committees of the board of directors**

C.2.1 Describe all of the committees of the board of directors, the members thereof, and the proportion of executive, proprietary, independent, and other external directors of which they are comprised:

**EXECUTIVE COMMITTEE**

<b>Name</b>	<b>Position</b>	<b>Category</b>
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<b>% executive directors</b>	
<b>% proprietary directors</b>	
<b>% independent directors</b>	
<b>% other external</b>	

<b>Remarks</b>

Explain the functions delegated or attributed to this committee other than those already described in section C.1.10, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

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#### AUDIT COMMITTEE

<b>Name</b>	<b>Position</b>	<b>Category</b>
Mr. Javier Rodríguez Pellitero	Chairman	Independent
Mr. Juan María Riberas Mera	Member	Proprietary
Ms. Ana García Fau	Member	Independent

<b>% proprietary directors</b>	33.33%
<b>% independent directors</b>	66.67%
<b>% other external</b>	0%

Explain the functions, including, where appropriate, any extra ones provided for by law, attributed to this committee, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

The procedures and rules for the organisation and functioning of the Audit Committee are set out in Article 20 of the Articles of Association and Article 39 of the Regulations of the Board of Directors. Furthermore, Article 20 of the Articles of Association and Article 40 of the Regulations of the Board of Directors regulate the functions of the Audit Committee. For further information, see note included in Section H.

In relation to the activities carried out by the Audit Committee and how each of its functions has effectively been performed in financial year 2020, it will draw up an activity report which, as established in Article 39 of the

Regulations of the Board of Directors, shall be submitted for approval to the Board of Directors and published on the website whenever the General Shareholders' Meeting is held. The activities carried out by the Audit Committee during 2020 include, among others:

- the oversight and review and favourable report of the financial statements and the individual and consolidated management reports of the Company and its Group, as well as the non-financial information contained in the management report of the consolidated financial statements, for 2019;
- the oversight and review of the preparation and presentation process of regulated financial information (quarterly and half-yearly), both individual and consolidated for the year 2020.
- The review and favourable report on the proposal to distribute the profits for financial year 2019, initially approved by the Board of Directors, as well as the new profit distribution proposal, pursuant to Article 40.6 bis of Decree-law 8/2020 of 17 March on extraordinary urgent measures to address the financial and social impact of COVID-19, substituted the proposal initially formulated by the Board of Directors.
- Review of developments on IFRS and Spanish General Audit Plan.
- establishing the appropriate relationship with the external auditor with whom a meeting has been held on three occasions during the year in question in order to receive information on the progress of the audit and limited review work and the most relevant aspects of both;
- the approval of the of services by the external auditor other than auditing and the mandatory report on the independence of the external auditor;
- The annual evaluation of the External Auditor during financial year 2019, as well as the proposal to re-elect it for auditing the 2020 financial statements.
- periodical monitoring of the activities performed during the year by the Internal Audit Department and approval of the Internal Audit Plan and the corresponding budget for the year 2020;
- the oversight and periodic review of the Internal Control Over Financial Reporting system (hereinafter ICFRS) and the approval of its scope matrix for financial year 2020;
- the oversight and periodic review of internal risk control and management systems through the re-evaluation of the corporate risk map and updating of the risk assessment scales;
- reporting to the Board of Directors on related party transactions;
- the review and approval of the Group's Sustainability Report for financial year 2019;
- monitoring of the Code of Conduct and the functioning of the Whistle-blower Channel;
- the issuance of the evaluation report of the Audit Committee for the approval of the Board of Directors;
- the Internal Audit Function assessment, and
- the review and favourable report on the Annual Report on the Remuneration of Directors for the year 2019.
- The issuance of a favourable report on the amendment of the Regulations of the Board of Directors for their adaptation to the amendments established in the Good Governance Code for Listed Companies dated 26

June 2020.

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Identify any directors who are members of the audit committee and who have been appointed taking into account their knowledge and experience in the areas of accounting, auditing, or both, and report the date of appointment of the Chairperson of this committee.

<b>Name of directors with experience</b>	Ms. Ana García Fau
	Mr. Javier Rodríguez Pellitero
	Mr. Juan María Riberas Mera
<b>Date of appointment of the current chairperson</b>	24/03/2017

<b>Remarks</b>

#### APPOINTMENTS AND REMUNERATION COMMITTEE

<b>Name</b>	<b>Position</b>	<b>Category</b>
Mr. Alberto Rodríguez-Fraile Díaz	Chairman	Independent
Mr. Gonzalo Urquijo Fernández de Araoz	Member	Other external directors
Mr. Pedro Sainz de Baranda	Member	Independent

<b>% proprietary directors</b>	0%
<b>% independent directors</b>	66.67%
<b>% other external</b>	33.33%

<b>Remarks</b>

Explain the functions, including, where appropriate, any extra ones provided for by law, attributed to this committee, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

The procedures and rules for the organisation and functioning of the Nomination and Compensation Committee are set out in Article 21 of the Articles of Association and Article 39 of the Regulations of the Board of Directors. Furthermore, Article 20 of the Articles of Association and Article 41 of the Regulations of the Board of Directors regulate the functions of the Nomination and Compensation Committee. For further information, see note included in Section H.

In relation to the activities carried out by the Nomination and Compensation Committee and how each of its functions has effectively been performed in financial year 2019, it will draw up an activity report which, as established in Article 39 of the Regulations of the Board of Directors, shall be submitted for approval to the Board of Directors and published on the website whenever the General Shareholders' Meeting is held. The activities carried out by the Nomination and Compensation Committee during 2019 include, among others:

- the favourable reports on the dismissal of Mr. Shinichi Hori and Mr. Katsutoshi Yokoi as Directors and on the appointment by co-optation of Mr. Tomofumi Osaki and Mr. Norimichi Hatayama as Directors;
- the issuance of the proposal to ratify and re-elect Ms Concepción Rivero Bermejo and of the corresponding mandatory report, as well as the issuance of the reports on the proposed ratification and re-election Mr Shinichi Hori and Mr Katsutoshi Yokoi, for the Ordinary General Shareholders' Meeting held on 25 June 2020.
- the approval of the Experience, Skills and Knowledge Matrix;
- favourable report on the voluntary resignation of Mr. Francisco Lopez Peña as CEO and on the appointment of Senior Managers;
- verification of the degree of achievement of the 2019 objectives in relation to the variable component of the remuneration of Executive Directors and the Management Committee, as well as the result of this component;
- proposing objectives in relation to the variable component of the remuneration of Executive Directors and the Management Committee for 2020;
- evaluation of compliance with the Company's Remuneration Policy and with the Policy for the Selection of the Board of Directors during 2019;
- the proposal for the new Directors' Remuneration Policy approved by the Annual General Shareholders' Meeting on 25 June 2020;
- review and proposal of the new Long Term Incentive Plan approved by the Board on 29 October 2020;
- the coordination of the evaluation of the Board of Directors, its Committees the CEO and the Secretary of the Board, together with the Coordinating Director, the Chairman of the Board of Directors, and the preparation of the required reports for approval by the Board of Directors;
- the review and favourable report on the 2019 Annual Report on Directors' Remuneration approved in a consultative manner by the Annual General Meeting on 25 June 2020, and the review of the content of the 2019 Annual Corporate Governance Report in all sections within its remit.

#### APPOINTMENTS COMMITTEE

Name	Position	Category
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<b>% proprietary directors</b>	
<b>% independent directors</b>	
<b>% other external</b>	

Explain the functions, including, where appropriate, any extra ones provided for by law, attributed to this committee, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

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#### REMUNERATION COMMITTEE

Name	Position	Category

<b>% proprietary directors</b>	
<b>% independent directors</b>	
<b>% other external</b>	

Explain the functions, including, where appropriate, any extra ones provided for by law, attributed to this committee, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

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#### COMMITTEE \_\_\_\_

Name	Position	Category

<b>% executive directors</b>	
<b>% proprietary directors</b>	
<b>% independent directors</b>	

<b>% other external</b>	
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Explain the functions, including, where appropriate, any extra ones provided for by law, attributed to this committee, and describe the procedures and rules for its organisation and functioning. For each of these functions, state the most important actions carried out during the year and how each of the functions attributed, whether by law, in the articles of association or other corporate resolutions, have effectively been performed.

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C.2.2 Complete the following table with information on the number of female directors on the committees of the board of directors at the end of the last four financial years:

	Number of female directors							
	Year t		Year t-1		Year t-2		Year t-3	
	Number	%	Number	%	Number	%	Number	%
<b>Executive Committee</b>	0		0		0		0	
<b>Audit Committee</b>	1	(33.33%)	1	(33.33%)	1	(33.33%)	1	(33.33%)
<b>Appointments and remuneration committee</b>	0	(0%)	0	(0%)	0	(0%)	0	(0%)
<b>appointments committee</b>	0		0		0		0	
<b>remunerati on committee</b>	0		0		0		0	
<b>committee _____</b>	0		0		0		0	

Remarks

C.2.3 State, where applicable, the existence of regulations of the board committees, where such regulations can be consulted, and any amendments made during the financial year. Also state if any annual report of the activities performed by each committee has been voluntarily prepared.

The Regulations of the Board of Directors thoroughly regulate the rules of composition and functioning, as well as the responsibilities of both the Audit Committee and the Nomination and Compensation Committee.

In favour of greater simplicity, avoiding duplications and aiming to facilitate

comprehension and application, a comprehensive regulation integrated into the Regulations of the Board of Directors has been chosen as opposed to a specific regulation for each Committee.

In a meeting of the Board of Directors on 17 December 2020 and following a favourable report by the Audit Committee, certain amendments to the Regulations of the Board of Directors were approved in order to adapt them to the new Good Governance Code for Listed Companies revised by the CNMV in June 2020. These amendments affected, among others, Article 40 of the Regulations of the Board of Directors, relating to the Audit Committee, in which changes were included to adapt its wording to Recommendations 8, 39, 41, 42, 53, 54 and 55 of the Code.

As a result of its adaptation to the Good Governance Code for Listed Companies, the recast text of the Regulations of the Board of Directors [shall be] published on the Company's website ([www.gestamp.com](http://www.gestamp.com)) in the sections "Investors and Shareholders", "Corporate Governance", "Board of Directors" and "Regulations of the Board" [following its entry in the Trade Registry and publication on the website of the CNMV]. The current Regulations of the Board of Directors may be consulted on the company's website ([www.gestamp.com](http://www.gestamp.com)) in the sections "Investors and Shareholders", "Corporate Governance", "Board of Directors" and "Regulations of the Board".

Likewise, the Regulations of the Board of Directors are registered, and therefore available to interested party, in the National Securities Market Commission, and in the Trade Registry of Biscay.

The activities reports are drawn up by the respective Committees and approved by the Board of Directors to be made available to shareholders at the Annual General Shareholders' Meeting, in accordance with the provisions contained in article 39 of the Regulations of the Board of Directors.

## D

**RELATED-PARTY TRANSACTIONS AND INTRAGROUP TRANSACTIONS**

D.1 Explain, where applicable, the procedure and competent bodies for approving related party and intragroup transactions.

<b>Procedure for communicating the approval of related-parted transactions</b>

Article 8 of the Regulations of the Board of Directors assigns the Company's Board of Directors, among other duties, the responsibility of approving transactions that the Company, or companies belonging to the Group, performs 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 them, following 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.

Moreover, on 21 March 2017, Acek Desarrollo y Gestión Industrial, S.L., Gonvarri Corporación Financiera, S.L. and the Company signed the Protocol for Regulating Transactions with Related Parties of Gestamp Automoción, S.A. and its Subsidiaries. This agreement incorporates the general framework that regulates the relations of the Company and its subsidiaries, with its related parties, particularly the group of companies led by parent company Acek Desarrollo y Gestión Industrial, S.L. In this regard, the protocol defines the principles that all related-party transactions must follow, as well as the approval procedure for these transactions, which is the same as that set out in Article 529 III of the Companies Act.

D.2 Describe the significant transactions in terms of amount or subject matter made between the company or entities belonging to its group, and the company's major shareholders:

Individual or company name of significant shareholder	Individual or company name of the company or entity within its group	Nature of the relationship	Type of transaction	Amount (thousands of euros)
Acek Desarrollo y Gestión Industrial, S.L.	Acek Desarrollo y Gestión Industrial, S.L.	Contractual	Services received	5,867
Acek Desarrollo y Gestión Industrial, S.L.	Acek Desarrollo y Gestión Industrial, S.L.	Contractual	Unpaid interest due	1,080
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Purchase of goods, whether finished or not	1,125,677
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Sale of goods, whether finished or not	28,751
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Services received	17,893



Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Services rendered	2,073
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Unpaid interest due	1,631
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Sideacero, S.L.	Contractual	Sale of goods, whether finished or not	162,872
Acek Desarrollo y Gestión Industrial, S.L.	Inmobiliaria Acek, S.L.	Contractual	Services received	2,409
Acek Desarrollo y Gestión Industrial, S.L.	Inmobiliaria Acek, S.L.	Contractual	Financial Costs IFRS 16 (lease)	491

Remarks

- D.3 Describe the insignificant transactions in terms of amount or subject matter made between the company or entities belonging to its group, and the company's directors or officers:

Individual or company name of the directors or officers	Individual or company name of related party	Relation	Nature of the transaction	Amount (thousands of euros)
Mr. Francisco López Peña	N/A	Loan	Financing agreements: Loans.	3,000

- D.4 Report on the significant transactions made by the company with other entities belonging to the same group, provided they are not eliminated in the preparation of the consolidated financial statements and they are not part of the ordinary course of business of the company insofar as their purpose and conditions are concerned.

In any case, report any intragroup transaction carried out with entities established in countries or territories considered to be tax havens:

Name of entity within the group	Brief description of transaction	Amount (thousands of euros)

- D.5 Give details of any significant transactions carried out between the company or entities in its group and other related parties that have not been disclosed under the previous headings.

Company name of related party	Brief description of transaction	Amount (thousands of euros)

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Remarks

- D.6 Describe the mechanisms used to detect, determine, and resolve potential conflicts of interest between the company and/or its group, and its directors, executives, or significant shareholders.

Article 22 of the Regulation of the Board of Directors establishes the duty of directors to inform the Company of any direct or indirect situation of conflict that they or persons linked to them may have as regards the interests of the Company. In this sense, further to the communication duty of each Director in the event of a conflict of interest, on the occasion of the preparation of the annual accounts and the financial information for the first six months of the year, Directors must complete a form in which they state the existence of any conflict of interest between them and the Company.

Furthermore, Articles 21, 24, 25 and 26 of the Regulations the Board of Directors govern the duties of the directors as regards their abstention duty, non-competence, the use of non-public information and of company assets and the benefitting of business opportunities. Furthermore, those articles govern the Company's system of exemption, which shall be agreed at the General Shareholders' Meeting or by the Board of Directors, as appropriate, under the provisions set out in the Companies Act, the By-laws or in the Regulations of the Board of Directors of the Company.

With regard to the Senior Management, as stated in the Internal Code of Conduct in the Securities' Markets of the Company, they must act with loyalty, refrain from intervening or influencing in the decision making on those matters where they are conflicted, and not to access confidential information related to such conflict.

- D.7 Indicate if the company is controlled by another entity in the sense of Article 42 of the Code of Commerce, whether listed or not, and has, directly or through subsidiaries, business relations with said entity or any of its subsidiaries (different from those of the listed company) or undertakes activities related to any of them.

Yes                       No

Identify the subsidiaries listed in Spain and their relationship with the company: Indicate if it has publicly and specifically informed of the respective areas of activity and possible business relations between, on the one hand, the listed company or its subsidiaries, and, on the other, the parent company and its subsidiaries:

<b>Report on the respective areas of activity and the possible business relations between, on the</b>

As indicated in section D.2 of the report, during financial year 2020, the Acek Group has had the following business relations with the Gestamp Group:

- (a) Relations with Acek, holding company of the Acek Group, and subsidiaries of the Acek Group relating to:

- Supplies and centralised services provided by Acek to the Group: consolidated accounting services, centralised negotiating and formalisation of insurance,

centralised negotiating and formalisation of IT licences.

- Relations with Acek Energías Renovables, S.L., and its subsidiaries (promotes, constructs and operates renewable energy plants):
  - Provision of corporate management support services by the Group to Acek.
  - business relations consisting of the supplying of renewable energy by the subsidiaries of the Acek Renovables Group to the Group's companies for their operations.

(b) Relations with Holding Gonvarri, S.L., and its subsidiaries (“Gonvarri Group”).

The Gonvarri Group is a subgroup of the Acek Group, which manufactures, transforms and trades metal products; it has steel service centres (cutting and coating of sheet steel and its supply for industrial services) and it manufactures renewable energy structures (such as wind turbine shafts, infrastructures for photovoltaic farms and solar thermal plant elements).

The Group's companies have business relations with different subsidiaries of the Gonvarri Group, the activity of which is the steel service, and the Gonvarri Group is their entrusted steel service centre. As such, the Gonvarri Group acts not only as a provider of steel cutting and coating services, but also as a provider of said steel, acquiring it from the corresponding producer.

(c) Relations with Inmobiliaria Acek, S.L., and its subsidiaries (“Inmobiliaria Acek Group”).

Subgroup of the Acek Group dedicated to real estate activity.

The current business relations consist of the leasing of real estate by the subsidiaries of the Inmobiliaria Acek Group (as lessors) to the Group's companies (as lessees).

(d) Relations with Sideacero, S.L., and its subsidiaries (“Sideacero Group”):

A subgroup that imports, exports, buys, sells and brokers, on its own behalf or on that of third parties, ferrous and non-ferrous products, steel materials, and recoverable material and waste.

The business relations of the Group with the Sideacero Group consist of the provision of scrap metal management services by the subsidiaries of the Sideacero Group to the Group's companies.

Identify the mechanisms established to resolve possible conflicts of interest between the listed parent company and the other companies of the group:

Identify the mechanisms established to resolve possible conflicts of interest between the listed subsidiary and the other companies with the group:

As referred to in section D.1 of this report, on 21 March 2017, Acek Desarrollo y Gestión Industrial, S.L., Gonvarri Corporación Financiera, S.L., and the Company signed the Protocol for Regulating Transactions with Related Parties of Gestamp Automoción, S.A., and its Subsidiaries. This agreement incorporates the general framework that governs the relations between the Company, its subsidiaries, and its related parties, particularly with the group of companies under the parent company Acek Desarrollo y Gestión Industrial, S.L. In this regard, the protocol defines the principles that all related-party transactions must follow, as well as the approval procedure for such transactions, which is the same as that set out in Article 529 III of

the Companies Act.

- E.1 Explain the scope of the company's Risk Management System, including the system for managing tax risks.

The Group carries out its activities in many countries and regulatory, political and socio-economic environments, whereby it is exposed to different types of risks (strategic, operational, financial, regarding compliance and reporting) that can affect its performance and which, consequently, should be mitigated in the most effective way possible, with the aim of facilitating fulfilment of strategies and targets set.

In this regard, the Group has a Comprehensive Risk Management System (hereinafter SIGR) at corporate level that identifies, monitors and responds to the different types of financial and non-financial risks to which the Group is exposed, including within the category of financial or economic risks, those related to tax, contingent liabilities and other off-balance risks.

This SIGR, which the Group continued to develop and evolve in 2019, is based on the COSO ERM—Enterprise Risk Management—model (a systematic and detailed approach that helps identify occurrences, evaluate, prioritise and respond to risks related to achieving business objectives), and in the good practices referred to in the Code of Good Governance for Listed Companies and in Technical Guide 3/2017 on Audit Committees of Public Interest Entities.

In order to facilitate and promote effective, comprehensive and uniform management, the Group established the Comprehensive Risk Management System Policy (hereinafter “SIGR Policy”), the implementation of which extends to all companies belonging to the Group. Its scope covers all activities, processes, projects and business lines, as well as all geographical areas in which it operates.

The SIGR Policy, approved by the Board of Directors on 14 December 2017, covers the organisation, procedures and resources available to the Group to reasonably and effectively manage the risks to which it is exposed, thus making risk management an intrinsic part of the organisation's decision-making processes in terms of both the governance and administrative bodies and the management of operations. The policy identifies diverse risk categories, details the basic principles and guidelines for action that must be observed in risk management and control, specifies the bodies in charge of ensuring that the internal control and risk management systems function properly, defines their roles and responsibilities and the level of risk deemed acceptable.

In addition, the Group has a SIGR Corporate Procedure, approved by the Operational Risk Committee (hereinafter, “CRO”), dated 19 November 2018. This Procedure establishes the basic guidelines for the identification, assessment, management, response and reporting of different risks from each of the organisational areas.

The Group has a Corporate Risk Map, which is set as a key element of the SIGR, providing an overall picture of the relevant risks of the organisation based on uniform criteria, thus facilitating early identification of any events that could generate them and enabling anticipatory action aimed at preventing or, in the event of occurrence, minimising them. During the second half of 2020 financial year, the Group revised its Corporate Risk Map in the context of the COVID-19 crisis, in order to ensure that it responds to the Company's current situation and indeed represents a management tool that enables decisions to be made in an effective and informed manner.

It should be noted that in addition to corporate risk management, each of the Group's areas carries out more fragmented risk management through its corresponding managers. The work carried out by these managers is included in the Corporate Risk Map through the involvement of the members of the CRO, which is made up of top-

level executives, representatives of the Group's Divisions, Business Units and Corporate Departments.

- E.2 Identify the decision-making bodies of the company responsible for preparing and implementing the Risk Management System, including the system for managing tax risks.

The SIGR is a process led by the Company's Board of Directors and Senior Management and is the responsibility of each and every member within the Group. It is designed to provide reasonable assurance when achieving the SIGR targets, providing shareholders, other stakeholders and the general market with an adequate level of guarantee that protects generated value.

Although the SIGR is a process that affects and involves all of the Group's personnel, in accordance with the SIGR Policy approved by the Board of Directors, those entrusted with ensuring its smooth running and its functions are the following:

- The Board of Directors.

It is responsible for approving the SIGR Policy and fix an acceptable level of risk, as well as periodically monitoring the internal information and risk control systems in order to make sure that they are in line with the Group's strategy.

- The Audit Committee.

It is responsible for periodically supervising and reviewing the internal control and risk management systems, so that the main risks are adequately identified, managed and reported, receiving support in this task from the Internal Audit and Risk Management Department.

- The Risk Committees.

In addition to other committees set up at the level of the different organisational units to monitor specific risks (such as, among others, those associated with project management, information systems and regulatory compliance, including tax compliance); at corporate level there is the CRO and the Executive Risk Committee (CRE), made up of top-level executives, representatives of the Group's Divisions, Business Units and Corporate Departments. It is responsible for supporting the Board of Directors and the Audit Committee in their functions in relation with the control and management of risk. They are responsible for ensuring the proper functioning of the SIGR, as well as identifying, quantifying and managing the most significant risks that have an impact on their respective areas and the Group, ensuring that they remain at an acceptable level.

- Specific Risk Officers.

Their key responsibilities involve identifying and monitoring risks, reviewing the effectiveness of controls, overseeing action plans and collaborating on risks assessment and update.

- The Internal Audit and Risk Management Department.

In accordance with the rules governing the department, approved by the Audit Committee, the Internal Audit Department is responsible for coordinating the Group's risk management, among other things. The following key responsibilities have been set out in the SIGR Policy, in relation to such:

- Audit Committee support,
- coordination of risk identification and assessment processes through the preparation and updating of Risk Maps and

- coordination with the Risk Committees and with those responsible for specific risk management for risk measurement processes, controls, action plans and procedures required to mitigate them.

Within the Group structure, Internal Audit and Risk Management Department reports directly to the Audit Committee, which guarantees autonomy and independence in its functions and in the responsible supervision of the risk control and management system.

- E.3 State the main risks, including tax risks and insofar as those arising from corruption are significant (the latter being understood under the scope of Royal Decree Law 18/2017), which may affect the achievement of the business objectives.

The Group defines risk as any potential event, internal or external, that may negatively affect the achievement of the objectives regarding the various Group processes and, therefore, the materialisation of the Group's strategic objectives, its methods or its reputation. Given the nature of the sector and the geographical areas in which the Group operates, the organisation is subject to various risks that could impede the attainment of its objectives and the successful execution of its strategies.

The process of identifying and assessing the risks affecting the Group mainly took into account the following risk factors, for which the Group has put in place monitoring and response plans and measures:

- Operational Risks. Those related with potential losses or a reduction in activity due to inadequacies or failures in operations, systems, resources or processes:
  - Health and safety risk, in view of the characteristics of activities performed in our plants or other external fact as a pandemic.
  - Disruption of our customer supply chain due to various factors (both internal and external), such as:
    - supply problems concerning our suppliers, regarding quality or term.
    - prolonged breakdown of machinery, tools or plants,
    - other factors that occur without warning (such as meteorological disasters, earthquakes, floods, pandemics, etc.).
  - Incidents linked to the quality of our products, with potential repercussions on cost, liability and reputation.
  - Difficulties in hiring or retention of key staff, which is defined as executive staff in strategic positions, as well as highly qualified staff that are a valuable asset to the company.
  - Deviations in the profitability of projects, that could potentially result either in the issuance phase or in the production phase.
  - Security risks concerning computer applications and cyberattacks.
  - Uncertainty on sales volume prospects.
- Strategic Risks. Those that may arise as a consequence of choosing a specific strategy, as well as those of an external or internal nature that may significantly affect the attainment of objectives, the reputation and/or vision of the Group in the long term. These include:
  - Political and economic instability in the different countries where the Group operates.

- Concentrating the business on a limited number of customers. The automotive sector is highly concentrated on a specific number of customers.
  - Climate change and environmental risks: as an integral part of the automotive sector, we believe that our environmental impact must be analysed from the perspective of a vehicle's life cycle beyond the direct impact generated purely in the manufacturing process. Additionally, our stakeholders are showing increased commitment to climate change, among them, OEMs have increased their demand in this regard in the supply chain.
  - Development, adoption and assurance of the necessary technical skills at industrial level.
  - The Group's rate of progress towards “Data Driven” management through Industry 4.0 and the digitalisation of business processes in an environment of accelerated change.
- Reporting Risks. Those related with the reliability in the preparation, collection and presentation of financial and non-financial information, both internal as well as external, relevant to the Group.
  - Compliance Risks. Those related with the strict observance of legislation and regulations (external and internal), including tax-related, that affects the Group in the different markets and geographical areas in which it operates.

The risks associated with the criminal liability of legal entities, the impact of corruption in the different countries where the Group operates and unethical or irregular conduct are considered, among others. This category also includes risks arising from potential legislative and regulatory changes, and the Group's capacity to anticipate and ability to react such.

- Financial Risks. These include financial market risks, as well as contingent liabilities and other off-balance risks. The main risks in this scope to which the Group is exposed are fluctuating exchange rates affecting our operations in an international context; interest rates and the price of raw materials.

#### E.4 Identify whether the entity has a risk tolerance level, including one for tax risk.

The Group, in delivering its vision "*to be the automotive supplier most renowned for its ability to adapt business in order to create value for the client, while maintaining sustainable economic and social development*" assumes a prudent level of risk, seeking the right balance between value creation, sustainability and risk.

In this regard, the level of risk tolerance, including tax risks, is defined at corporate level in the SIGR Policy, approved by the Company's Board of Directors, and sets out that all risks that jeopardise compliance with the Group's strategies and objectives are to be kept at an acceptable low risk level.

The members of the Operational Risk Committee (CRO) and the Executive Risk Committee (CRE) took part in updating the Corporate Risk Map in financial year 2020. The main objectives of this updating process were to identify possible emerging risks and to assess all of the risks in terms of impact, probability of occurrence and effectiveness of the controls established, in accordance with the assessment scales defined annually, in order to adapt to the strategy and changes in our business environment and which will continue to be reviewed at least once a year for the same purpose. These assessment scales cover the different aspects of risk impact (financial, operational, regulatory framework and reputation) and entail suitable levels that allow



for a standardised risk assessment. These scales reflect the Group's appetite and level of risk tolerance.

E.5 State what risks, including tax risks, have materialised during the financial year.

The COVID-19 pandemic has generated a sanitary and economic crisis. That is why Gestamp has developed and is executing a Comprehensive Plan of Contingency in order to adapt to this situation enhancing the protection of people, contribution to the society, client service and business continuity.

Regarding Health and Safety, the Group has implemented a protocol with comprising of strict security measures aligned with regulatory law and with its clients, which has allowed employees to have a guide on how to act in the offices and in the plants, in order to protect them and their families. This would also allow to stop the virus expansion. Almost every contagion in the Group has been produced outside the facilities of the Group.

This pandemic has impacted the sales due to the initial closing of the plants all over the geographies of the Group as a consequence of the confinement or the macroeconomic situation, which led to a decrease on the production volumes globally. In this sense, the Group has handle this impact by executing flexibility measures.

On another hand, the early experience in China, country where the pandemic began, and where the Group develops its business, served as a lesson from an operative and health and safety point of view. This allowed to issue a contingency plan of plant boot after stop of activity and also a plan in case of resurgence of this virus.

In relation to purchases, the impact of Covid-19 has resulted in the need to manage a sudden stop and start of the supply chain that has caused tensions in the supplies of certain products, mainly raw materials. The Group has managed these tensions with greater monitoring of said supply chain, which has made it possible to guarantee supplies throughout the year, without impact on prices or costs and guaranteeing the volumes that have been needed at all times.

Faced with the Covid-19 crisis, Gestamp has made a significant effort to improve financial flexibility, including a greater emphasis on working capital management and a reduction in capex levels, preserving projects committed to customers, which has allowed increase liquidity and financing levels.

In general, the SIGR, together with the policies and the risk control and management systems that develop it, are making it possible to act quickly and efficiently on them and to establish, where appropriate, the appropriate action plans.

E.6 Explain the response and oversight plans for the entity's main risks, including tax risks, as well as the procedures followed by the company to ensure that the board of directors responds to any new challenges that arise.

The Group has defined a SIGR that entails organisation, procedures and resources, making it possible to identify, measure, assess, prioritise, and respond to risks to which the Group is exposed. In this regard, two mitigation and risk response levels can be determined: global elements or acts that respond to corporate risk management and other individual mechanisms that respond to each specific risk.

Among the global management elements and actions are the Group's Code of Conduct, the work carried out by the Ethics Committee, a body dependent on the Board of Directors that ensures compliance with the Code of Conduct, the Whistleblower Channel, together with other mechanisms broadly defined in the SIGR Policy.

In terms of individual risk, the Group has plans of management and monitoring adapted to the characteristics of each specific risk integrated within the company's systems and processes, and ensure that operational activities carried out are aligned with the Group's aims and targets.

In this sense, the Group currently has various organisational units or departments that analyse, continuously monitor and provide a response in various areas specialised in risk management, including: Internal control over financial information, Human Resources, Regulatory Compliance, Insurance, Corporate Social Responsibility, Quality, Operations Control, Corporate Security, Information Systems, Occupational Hazards Prevention, Project Management, Communication, Commercial, Financial Management and Development of advanced equipment. These units and departments form part of the Group's SIGR and are represented on the Risk Committees.

Parallel to the update of the 2020 risk map, the creation of an assurance map at the corporate level has begun, in which the main controls and response plans defined for the main risks are identified, from each of the main organisational units mentioned above.

Regarding the risks associated with COVID-19, the Board of Directors and the Group's Management are respectively carrying out a constant supervision and monitoring of the evolution of the effects of the pandemic at a global level and a monitoring of the risks identified as relevant, both financial and non-financial, in order to assess the impact that the pandemic epidemic could have on the evolution of the business and thus be able to take the appropriate measures to mitigate these risks.

## **F INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS IN RELATION TO THE PROCESS OF ISSUING FINANCIAL REPORTS (ICFRS)**

Describe the mechanisms making up the risk control and management systems with respect to the process of issuing the entity's financial information (ICFRS).

### **F.1 Control environment at the entity**

Indicate at least the following, specifying the main features thereof:

**F.1.1.** What bodies and/or functions are responsible for: (i) the existence and maintenance of an adequate and effective internal control over financial reporting system (ICFRS); (ii) the implementation thereof; and (iii) oversight thereof.

The Board of Directors has the ultimate responsibility for the existence and maintenance of an adequate and effective Internal Control over Financial Reporting System (hereinafter ICFRS). For these purposes, the Regulations governing Gestamp's Board of Directors establish in Article 8, section 3(a), as one of the non-delegable competences of this governing body, the approval of the "control and risk management policy, including fiscal risks, as well as regarding the regular monitoring of the internal information and control systems".

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 oversight); This Policy establishes that the Group's Financial Management is responsible for the design, implementation and operation of the ICFRS with the assistance of the Internal Control Function.

Within the scope of these functions, the Internal Control Function should promote awareness of the importance of internal control in the different countries in which the Group is present, promoting, starting with awareness of control requirements at all organizational levels of the Group, all of this through continuous monitoring and support in their work, both in defining the documentation associated with the ICFR, validating the design and effectiveness of the controls, as well as the implementation of the identified action plans.

The oversight of the ICFRS is the responsibility of the Audit Committee. Article 40, section 6.b) of the Regulations of the Board of Directors sets forth that the Audit Committee has, among others, the competences of "overseeing the preparation process, integrity and presenting regulated financial reports on the Company, ensuring regulatory requirements are met and accounting criteria are correctly applied" and also "periodically reviewing the internal control and risk management systems, including fiscal risks". To this end, the Audit Committee relies on the Internal Audit Department, which has rules regulating the task of overseeing the effective functioning of the internal control system.

**F.1.2** Whether any of the following are in place, particularly as regards the financial information preparation process:

- Departments and/or mechanisms in charge of: (i) the design and revision of the organisational structure; (ii) clearly defining the lines of responsibility and authority, with an appropriate distribution of work and duties; and (iii) ensuring that there are sufficient procedures

for the proper dissemination thereof at the entity.

The Group's Human Resources and Organisation Management and the Board of Directors through its Executive Chairman are in charge of defining and modifying the organisational structure of the Group at a high level, with the monitoring support by the Nomination and Compensation Committee. In addition, the different organisational units have the autonomy to develop and propose changes in their respective organisational structures using the criteria established by the abovementioned bodies. Any proposal for organisational change is communicated to the Group's Human Resources and Organisation Department in order to be validated and registered in the Human Resources Corporate System, the organisational management module SAP HCM and its contribution on the organisation charts published on the Company's intranet. These organisation charts graphically represent the relationships between the different Group departments.

For each role defined, the Human Resources and Organisation Department has descriptions of high-level roles called "jobs" which include the managers involved in the process of drawing up the financial reports. In addition, for Group companies that are production centres where there are quality certifications, the specific jobs are described in accordance with the tasks carried out by the different people in the team at each plant.

The ICFRS documentation includes a risk and control matrix where, individually for each control, both the responsible organisational structures and the owners of each of the controls have been identified in relation to the financial reporting process.

- Code of conduct, body that approves it, degree of dissemination and instruction, principles and values included (indicating whether the recording of transactions and the preparation of financial information are specifically mentioned), body in charge of reviewing breaches and of proposing corrective actions and penalties.

The Group has, since 2011, a Code of Conduct which sets out the standards of ethical conduct that the Group requires from all of its employees and which is available on the Group's website.

In 2018, the Code of Conduct was updated by the Board of Directors.

As was done in 2011 for its initial launch, during 2018 the Group carried out a plan to disseminate the new Code of Conduct among employees in all jurisdictions, in which it also requested confirmation of receipt and of reading it. Likewise, as part of the welcome plan for new Group employees, a copy of the Code of Conduct is provided and adherence to it is requested.

Regarding training, all Group employees must have completed the Code of Conduct presentation course at least once, which can be carried out in one of the following ways:

- Online training (through the Company Corporate University). When a new employee joins the Group, they automatically receive a notification to their email address inviting them to take the training on the Code of Conduct (available in all of the Group's languages), also receiving a copy of the Code of Conduct in electronic format. Moreover, this training course is permanently available and, therefore, it can be seen if any questions arise after the initial training.
- Face-to-face training. For cases where the employee does not have access to a device that allows them to carry out training online. The same documentation as that available in the online training programme is included in the induction

plan for people who carry out this type of training.

In either of the two cases, the Group requests acknowledgment from the employee that they have carried out the training on the Code of Conduct; with regards to face-to-face training, this documentation will consist of physical acknowledgment of receipt signed by the employee and which is filed away by the plants; and with regards to online training, the system itself requests confirmation from the user that they have carried out the course on the Code of Conduct.

In addition, and on an annual basis, an external company will perform an audit to check, by interviewing a representative percentage of the staff at each company, their knowledge of the Code of Conduct. The questions include the existence of the Code of Conduct, its accessibility, if it is effective, etc. According to the results, Human Resources Managers identify whether it is necessary to implement a plan of action in relation to the Code of Conduct. During the 2020 financial year, this external audit could not be carried out due to the limitations imposed by COVID\_19.

In relation to the financial information, there is a section in the Code on "Integrity towards our shareholders and business partners", which establishes that acting responsibly and with transparency goes hand in hand with protecting value. All employees create value for the shareholders when they put the company's interests first, when they ensure that business records are accurate and when they properly protect the company's resources, its information and assets. Furthermore, this section also includes a rule corresponding to "Information management", which explicitly indicates that the honest, accurate and objective collection and presentation of information, whether financial or any other kind, is essential for the Group. Therefore, an employee of the Group:

- Must not falsify any kind of information, whether financial or any other kind.
- Must not deliberately enter any false or misleading data into any report, record, file or expenses claims.
- Must not accept contractual obligations on behalf of Gestamp that exceed the authority the company has given them.
- Must fully cooperate with auditors, ensuring the accuracy of the information provided.

Both the Compliance Office mailbox and the SpeakUp line are available both on the intranet and on the Group's website.

The Regulations of the Ethics Committee establish the indemnity of complainants in good faith and, at the same time, preserve the honor and the presumption of innocence of all employees against malicious or unfounded communications.

The Group's Whistleblower Channel allows the communication of breaches of the Code of Conduct of any nature, including irregularities of a financial and accounting nature and any irregular activities that may occur within the Group. The Audit Committee receives a periodic report on the complaints presented through the Complaints Channel, the investigations carried out and, where appropriate, the measures adopted.

In 2020, 108 communications were received regarding alleged breaches of the Gestamp Code of Conduct. 18 complaints have been received through the Delegates, 28 directly through the Compliance Office mailbox and 62 through the SpeakUp Line. None of them are related to the ICFR.

- Reporting channel that makes it possible to report any irregularities of a financial or accounting nature to the audit committee, as well as

any possible breach of the code of conduct and irregular activities at the organisation, specifying, if appropriate, whether it is confidential.

The Group has a channel with certain ways of communication which guarantees confidentiality and the rights of the reporters.

- Human Resources managers. There is a way to report through the Human Resources managers. They in turn report to the Compliance Office.
- Compliance Office Inbox: generic inbox of an email address that the Compliance Office directly receives.
- Speak up line: the complaints channel, which has been available since December 2016, is managed by an external company (SpeakUp Line), thus increasing the whistle-blower's trust and confidence with regard to confidentiality. Such communication may take place via telephone, web form or email. It is available in all languages spoken within the Group. Communications are sent to the Compliance Office.

Both the Compliance Office Inbox and the Speak up line are available on the company's intranet and on the website.

The Ethics Committee Regulations also establish the indemnity of people who report acts in good faith and, in turn, safeguards the honour and presumed innocence of any employee amid malicious or unfounded reports.

The Group's Reporting Channel allows any kind of non-compliance with Code of Conduct, including irregularities of a financial and accounting nature, and any irregular activity that could take place within the Group, to be communicated. The Audit Committee receives a periodic report on the complaints made through the Reporting Channel, the investigations carried out and, where appropriate, the measures adopted.

In 2019, 116 reports were received, 115 of which were complaints regarding potential breaches and 1 doubt already resolved. 18 complaints were received through representatives, 45 directly through the Compliance Office Inbox and 53 through the SpeakUp Line. None of these were related to the ICFRS.

- Regular training and update programmes for personnel involved in the preparation and review of financial information, as well as in the evaluation of the ICFRS, covering at least accounting standards, auditing, internal control, and risk management.

At the beginning of each financial year, the Group's Training and Development Department draws up a training plan with all areas, including those that are part of the Finance Department. This plan includes the different external and internal training activities geared towards members of the areas under the Group's Finance Department and managers of the in each of the Group's countries and organisational units.

This plan includes both business context training actions and specific programs.

- Business context formation

Aimed at deepening the internal knowledge of each of the business processes and activities.

- Specific programs

Gestamp personnel involved in the processes related to the preparation of financial information participate in training and updating programs on regulatory

developments regarding the preparation and supervision of financial information, as well as on SCIIF.

As part of these programs, Gestamp has a Virtual Campus of the Corporate University where employees can access training on the valuation of investment projects, management and financial accounting, analysis of financial statements and ICFR. Thus, in 2020, 54 employees were trained both in SCIIF and in the management of the SCIIF management tool developed in-house.

Likewise, the Finance Department carries out specific training actions aimed at personnel in the financial areas on the management and operation of the processes and computer applications used in the preparation of financial information.

In addition, in 2020 different training actions have been carried out with a total of 100 hours of training, for the personnel involved in the evaluation of the SCIIF that has covered, among other areas of knowledge, accounting standards, auditing, internal control and management of risks.

## **F.2 Risk assessment of financial information**

Indicate at least the following:

F.2.1. What are the main features of the risk identification process, including the process of identifying the risks of error or fraud, with regards to:

- Whether the process exists and is documented.

The Group bases its process to identify error or fraud risks in financial information on the COSO framework (Committee of Sponsoring Organizations for the Commission of the Treadway Commission), implementing practices aimed at designing and maintaining an internal control system that provides reasonable assurance with regard to the reliability of the regulated financial information.

As referred to in section F.1.1., the Group has an ICFRS Policy that includes, among other aspects, the general description of the ICFRS and its objectives, roles and responsibilities, the method for implementing the system for internal control over financial reporting and also the process to identify error or fraud risks in financial reporting. Based on this methodology, the scope matrix of the ICFRS was defined.

The scope matrix for the ICFRS, which is updated on an annual basis, after the consolidated financial statements have been prepared, aims to identify the accounts and disclosures that have significant associated risks and which could have a potential material impact on financial reporting. It also establishes the processes to review regarding its design and effectiveness in each country where the Group operates.

During financial year 2020, the Group identified the financial reporting risks by analysing the information contained in the audited consolidated financial statements at 31 December 2019, selecting the most relevant accounts and significant disclosures according to quantitative criteria and risks. The 2019 ICFRS scope matrix was approved by the Audit Committee on 17 December 2020.

- Whether the process covers all the objectives of financial reporting (existence and occurrence; integrity; assessment; presentation, breakdown and comparability, and rights and obligations), whether it is updated, and how often.

For each of these accounts and significant disclosures, their associated critical processes and subprocesses are established and the risks that could lead to errors

and/or fraud in financial reporting are identified, covering all of the financial reporting objectives (existence and occurrence; integrity; assessment; presentation and breakdown; and rights and obligations).

- The existence of a process for the identification of the scope of consolidation, taking into account, among other matters, the possible existence of complex corporate structures, holding entities, or special purpose entities.

With regard to the scope of consolidation, the Chairman, the CEO, the Group's Legal Manager, the Tax Consultancy Manager and the Finance Manager hold meetings as the Finance and Tax Committee, where they address issues relating to, among others, the purchase or withdrawal of companies in which the company has direct or indirect interests, as well as possible changes to be made regarding said interest. Similarly, the Committee identifies the need to undertake specific corporate operations, such as incorporations, mergers, divisions or the winding-up of companies that form part of the Group.

The conclusions approved by the Finance and Tax Committee in the area of company acquisitions and dispositions, and adoption of company operations, are initially compiled by the Group's Legal Department, which is in charge of drawing up the legal documentation required. Furthermore, the Legal Department informs the Consolidation team of any company acquisition or disposition, as well as any interest in them, and any corporate operation that may affect the scope of consolidation. This is done at least on the date on which such operation becomes effective. -

Based on the information received by the Finance and Tax Committee and by the Legal Department, the Department Responsible for Consolidation in the Group's Economic-Finance Department updates the scope of consolidation on the consolidation application used by the company. Furthermore, on a quarterly basis, this information is compared with that contained in the consolidation reporting package that each Group company sends to carry out the quarterly consolidation.

- The process takes into account the effects of other types of risks (operational, technological, financial, legal, tax, reputational, environmental, etc.) to the extent that they affect the financial statements.

As referred to in section E.1., the Group has SIGR Policy, which was approved by the Board of Directors in 2017. The purpose of the SIGR is to establish the basic principles, guidelines and the general framework for action to ensure that risks that may affect the implementation of the Group's strategies and achievement of objectives are identified, analysed, assessed, managed and controlled systematically, with homogeneous criteria and within the risk levels accepted by the Group.

The SIGR Policy is inspired by the following reference frameworks:

- The COSO ERM model, risk management reference framework generally accepted in the market.
- The good practices mentioned in the Good Governance Code of listed companies and the CNMV Technical Guide 3/2017 on Audit Committees of Public Interest Entities.

This Policy, containing five risk categories (strategic, operational, reporting, compliance and financial) is applicable to all Group companies. Reporting risks include those related to the reliability in the preparation, collection and presentation of financial and non-financial information, both internal as well as external, relevant to the Group.



These risks generally cover all of those associated with the Group's activities, processes, projects and lines of business in all geographical areas where it conducts business. Consideration is given, among others, to the types of operational, technological, financial, legal, environmental, social and tax- and social, political and reputational, including those related to corruption, those relating to contingent liabilities and other off balance-sheet risks.

Following the update of the Risk Map, which is analysed every year, it is verified that the risks that could have an impact on the financial information drafting processes or on the reliability of it are provided for in the ICFRS model. This is done to analyse the need to include additional processes or controls in said model and/or in the matrix scope for the following financial year.

- What governance body of the entity supervises the process?

Responsibility for the oversight of the effectiveness of the ICFRS and the Integrated Risk Management System lie with the Audit Committee through the Internal Audit Management, according to that set out in Article 40 of the Regulations governing Gestamp's Board of Directors.

As stated in the previous sections, the Audit Committee approved the ICFRS scope matrix on 6 May 2019 as a way of supervising the risk evaluation process.

### **F.3 Control activities**

Indicate whether at least the following are in place and describe their main features:

F.3.1. Procedures for review and authorisation of financial information, and description of the ICFRS to be published in the securities market, indicating the persons or divisions responsible therefor, as well as documentation describing the flows of activities and controls (including those relating to risk of fraud) of the various types of transactions that could materially affect the financial statements, including the closing process and the specific review of significant judgements, estimates, assessments, and projections.

The Group performs regular reviews of the financial reports drawn up and also of the description of the ICFRS in accordance with different levels of responsibility that aim to ensure the quality of the information.

The Group's Economic-Finance Department draws up consolidated financial statements on a quarterly basis (consolidated accounts and interim financial statements) and submits them for review by the Executive Chairman and the Managing Director, who then proceed to approve them. The quarterly and annual review and authorisation procedure concludes with them being submitted to the Audit Committee by the Managing Director and the Finance Department, and its preparation by the Board of Directors.

In financial year 2020 and, in accordance with the scope matrix of the ICFRS, the Internal Control Department continued to define the risk and control matrix, and the process documentation identified as key and material in all countries where the Group operates. The controls that mitigate the error or fraud risks regarding financial reporting and which affect these processes are identified in said matrix.

These processes/subprocesses cover the different types of transactions which may materially affect the financial statements (purchases, sales, staff costs, stock, fixed

assets, collection and payment management, etc.), specifically including the closing, reporting and consolidation process, as well as all of those that are affected by significant judgments, estimates, assessments, and projections.

The documentation in each of the processes comprises:

- Breakdown of the information systems that impact the subprocesses.
- Breakdown of the organisational structures.
- Descriptions of each subprocess associated with each process.
- Description of the significant risks involved in financial reporting (including those relating to the risk of fraud) and also others (operational and/or regarding compliance) associated with the different subprocesses and control objectives.
- Detailed description of the key and non-key controls that mitigate each of the risks identified.
- Results of the internal control design evaluation conducted by the Internal Control Department, identifying the best opportunities and establishing the action plans, persons responsible and the corresponding implementation deadline.

For each control, the following have been identified:

- Supporting evidence regarding the controls.
- Organisational structures and/or functions of positions in charge of each key and non-key controls identified, as well as identifying other departments affected, where appropriate.
- Owner in charge of each control.
- Frequency of the controls.
- Level of automation of the controls.
- Type of control: preventive or detective.
- Risks to mitigate.
- Association regarding the objectives of the financial information and the prevention/detection of fraud.
- Information systems involved in the control.

The Group has launched a process for updating the internal control system which guarantees the quality and reliability of financial and non-financial reporting, not merely limiting itself to yearly or half-yearly financial reports.

As such, among other measures, as stated under section F.1.2., in 2019 the Group has launched in all plants and countries in which risk matrix and controls has been determined, an internal development of a specific tool. This tool allows an ongoing updating, self-evaluating and supervising process to take place on the correct functioning of the internal control system of financial information, ensuring its reasonable reliability in a single centralised environment. This tool contributes to strengthening the internal control at all levels of the organisation, facilitating the effectiveness evaluation process and the control designs, as well as monitoring the action plans.

With regard to significant judgments, estimates and projections, it is the Group's Economic-Finance Department or the Division Controlling departments that set the hypotheses and perform the calculations. To do so, they use information, such as the budgets for the coming financial years and the strategic plans, which the different

Group companies report through a shared platform that is managed by the Group's Controlling Department. In certain cases (such as the valuations of fixed assets and actuarial study calculations), the information provided by specialists external to the Group is also used. The most significant judgements, estimates and projections are validated prior to the approval process for the consolidated financial statements.

F.3.2. Policies and procedures of internal control over reporting systems (including, among others, security of access, control of changes, operation thereof, operational continuity, and segregation of duties) that provide support for the significant processes of the entity in connection with the preparation and publication of financial information.

The Group has internal control policies and procedures on the information systems supporting the relevant processes, including the preparation and review process for financial reporting.

In the process to identify technological risks that may affect the confidentiality, integrity and availability of financial information, the Group identifies what systems and applications are relevant in each of the areas or processes considered significant. The systems and applications identified include both those that are directly used to prepare the financial information and those that are relevant for the effectiveness of the controls that mitigate the risk of errors arising therein.

Taking into account this information, the Plan of Business Continuity of Information Systems is reviewed on a yearly basis. This plan establishes action plans for mitigating the risks arising from information system dependency that could affect the achievement of business objectives.

Generally speaking, the following controls exist to provide the Group with reasonable assurance concerning the internal control of reporting systems:

- The Group has a road map of the most relevant applications, including those with the objective of processing financial information.
- Only authorised staff have access to the reporting systems using robust authentication mechanisms. In addition, access to information is limited according to the roles assigned to each user. In relation to this, system accessibility is determined by identity management. A feature is currently being rolled out which, by means of an automatic approval flow, enables managers of each system to receive access requests and, in turn, review and approve them.
- The actions performed by users are registered and monitored by people authorised in accordance with operating procedures.
- Periodic review processes are performed on users with access to data, as well as a review of privileged users.
- There are alternative communication systems that guarantee the continuity of operations.
- Backups of the information are carried out regularly, which are stored in safe locations, and trial restorations thereof are carried out.
- The incident management system is aimed at resolving any type of problem that may arise in the business processes.
- There is a software development methodology and different environments with the aim of ensuring that any changes in the information systems are appropriately authorised and tested.

- Critical business processes have different organisational and technological solutions which ensure the continuity of the information systems. Every year, the financial system recovery plan is tested, identifying the improvement aspects that are included in the plan updates.

The controls on the information technology implemented in the area of financial systems are validated every year in order to ensure their effectiveness. Any incidents identified are evaluated and the appropriate measures adopted to correct them in the time and manner established.

F.3.3. Internal control policies and procedures designed to supervise the management of activities outsourced to third parties, as well as those aspects of assessment, calculation, or valuation entrusted to independent experts, which may materially affect the accounts.

The Group does not usually have activities outsourced to third parties which may materially affect the financial statements. In any case, when the Group outsources certain work to third parties, it ensures the subcontracted company has the technical skills required, independence, competence and solvency.

In financial year 2019, the only significant activity outsourced to third parties with an impact on the financial statements was the use of independent experts for support in the valuation of fixed assets and actuarial study calculations, although they did not have a material effect on the financial information.

This activity was performed by a firm which was validated as having the necessary competences by personnel in the Group and supervised by Management, which verified the key assumptions used by the external parties, along with the reasonability of the conclusions.

#### **F.4 Information and communication**

Indicate whether at least the following are in place and describe their main features:

F.4.1. A specific function charged with defining and updating accounting policies (accounting policy area or department) and with resolving questions or conflicts arising from the interpretation thereof, maintaining fluid communications with those responsible for operations at the organisation, as well as an updated accounting policy manual that has been communicated to the units through which the entity operates.

Within the Group's Economic-Finance Department, there is Department Responsible for Consolidation (hereinafter, "Consolidation Team"). The functions assigned to said team, specifically established in the Group's Criteria and Accounting Policies Manual, include a team update, which must be undertaken at least once per year.

This Manual includes the main policies applicable to the Group's operations, as well as the criteria that are to be followed by those in charge of recording the financial information, examples of its application and the chart of accounts for consolidation. The last update was in November 2020.

In addition, there is another department in the Economic-Finance Department that is responsible for the design and definition of the financial processes to be applied in companies using the Corporate SAP system. This Function is in charge of reflecting the accounting policies established in the Group's Criteria and Accounting Policies

Manual in this system.

If those in charge of recording the Group's financial information have any queries about how to proceed with regard to daily transaction accounting, the responsibility for resolving queries in relation to these processes lies with the Department Responsible for the design and Definition of Financial Processes, whereas any queries regarding accounting policies are resolved by the Consolidation Team, as stated in the Manual. This centralisation of query resolution allows for increased standardisation of criteria.

The information required to update the Criteria and Accounting Policies Manual is received by the Consolidation Team through the different channels: by communications from the ICAC (the Spanish Accounting and Auditing Institute) (for modifications to the Spanish National Chart of Accounts, the IFRS or the IAS), by reviewing information alerts sent by the external auditor through the tax updates it receives from the tax advisor or through participation in training sessions given by prestigious companies.

In order to keep all persons in charge of recording financial information throughout the whole Group informed of any possible modifications that arise in the Criteria and Accounting Policies Manual, the Consolidation Team sends them said document on a quarterly basis, along with the consolidation reporting package.

F.4.2. Mechanisms to capture and prepare financial information with standardised formats, to be applied and used by all units of the entity or the group, supporting the principal accounts and the notes thereto, as well as the information provided on the internal control over financial reporting system.

All Group companies report the financial information in a consolidation reporting package in a standardised manner as established by the Consolidation Team. This package includes the information structure required to then proceed to add it.

The Consolidation Team has a master in which each account in the local consolidation chart of accounts is associated with the corporate SAP accounts. This association is customised in the Group's consolidation application by the Function charged with the Design and Definition of Financial Processes within the Group's Economic-Finance Department.

Once the Consolidation Team has received the information from the different companies, it verifies that it coincides with the chart of accounts established for the Group and with the Group's Criteria and Accounting Policies Manual and proceeds to upload this information onto the Group's consolidation application.

Regarding the information in the disclosures in the report, in order to draw up the consolidated Financial Statements, the Consolidation Team uses the information reported by the different companies in the reporting packages as a source. Based on this data and the information from the whole Group, it consolidates and draws up the consolidated interim and annual accounts (financial statements and notes) and creates the notes to the financial statements. The Consolidation Team ensures that the information in the consolidation application matches the detailed information extracted to draw up the disclosures, and also that the information in the detail of the notes matches the detailed information extracted to draw up the notes.

Finally, the capture and preparation of the information provided regarding the ICFRS is centralised in the Internal Control Function in coordination with the Departments involved. This description is formally validated by these

Departments. This process concludes with the approval of the Annual Corporate Governance Report as a whole by the Board of Governors,

## **F.5 Supervision of the operation of the system**

Indicate and describe the main features of at least the following:

- F.5.1. The activities of overseeing the internal control over financial reporting system (ICFRS) performed by the audit committee, and also whether or not the entity has an internal audit function whose duties include providing support to the committee in its task of overseeing the internal control system, including the ICFRS. Information is also to be provided concerning the scope of the assessment of the ICFRS performed during the financial year and on the procedure whereby the person or division charged with performing the assessment reports the results thereof, whether the entity has an action plan in place describing possible corrective measures, and whether the impact thereof on financial information has been considered.

As indicated in section F.1.1, the Audit Committee is responsible for periodically supervising and reviewing the effectiveness of internal control and supervising and evaluating the process of preparing financial information, relying on the Internal Audit Department for this, reporting hierarchically to the CEO and functionally to the Audit Committee.

The Internal Audit Directorate has among its functions the support of the Audit Committee in supervising the correct functioning of the ICFR, reporting the conclusions obtained from its audits in the periodic appearances of the Internal Audit Director in the Audit Committee meetings, held during the financial year. Said conclusions include the weaknesses detected and the action plans defined and agreed with the different areas to solve them, as well as the monitoring of their implementation in order to ensure that the weaknesses have been resolved.

The Internal Audit Directorate is responsible for the execution of the Internal Audit Plan that for the 2020 financial year was approved on December 16, 2019 by the Audit Committee. In order to adapt to the needs arising from COVID-19 This Plan was updated and approved by the Audit Committee on May 18, 2020 and October 28, 2020.

On December 17, 2020, the Audit Committee approved the SCIIF scope matrix defined by the Internal Control Function, as indicated in section F.2.1, and has supervised the degree of progress of the work carried out in relation to the ICFR through periodic reports presented by the Internal Audit Director to the Audit Committee.

During fiscal year 2020, in accordance with the Audit Plan and the SCIIF scope matrix, and taking into account the limitations due to the COVID-19 pandemic situation, global audits have been carried out of the key processes in relation to with the reliability of the financial information that were considered the highest priority. In the audits, action plans have been defined to reinforce the internal control system.

The result of the audits has been periodically reported to the Audit Committee. Consequently, the Audit Committee, in accordance with its functions, includes in its activities report the tasks that it has performed in its role as supervisor of the Internal Control System during 2020. Among other aspects, the report of activities for the year 2020 include:

- the supervision and revision of the preparing and presentation process of the annual individual and consolidated financial information and also the regulated financial information (quarterly and half-yearly) to provide the market,
- the reviewing of developments on IFRS and Spanish General Audit Plan.

- the review and favorable report of the proposal for the application of the result corresponding to the year 2019 initially approved by the Board of Directors, as well as the new proposal for the application of the result, which, in accordance with article 40.6 bis of Royal Decree-Law 8 / 2020, of March 17, of extraordinary urgent measures to face the economic and social impact of COVID-19, replaced the one initially formulated by the Board of Directors
- the monitoring of the internal audit function activities,
- the overseeing of relationships with the external auditor of the company and Group,
- related transactions,
- correct application of the generally accept accounting principles and the safeguarding of the integrity of financial information.
- the approval of the ICFRS scope matrix established for the financial year 2020,
- review of the degree of implementation of the ICFRS,
- monitoring of the ICFRS design evaluation results, as well as monitoring of the improvement plans detected,
- monitoring of the risk management performed within the Group,
- approval of the 2021 Internal Audit Plan, and
- approval of the 2021 resources of the Internal Audit Management.

F.5.2. Indicate whether there is a discussion procedure whereby the auditor (pursuant to TAS), the internal audit function and other experts can report any significant internal control weaknesses encountered during their review of the financial statements or other reviews they have been engaged to perform to the company's senior executives and its Audit Committee or Board of Directors. State also whether the entity has an action plan to correct or mitigate the weaknesses identified.

Article 40 of the Regulations of the Board of Directors govern the power held by the Audit Committee with regard to regularly receiving information on the activities of the Internal Audit Department; verifying whether senior management takes into account the conclusions and recommendations in its reports; and to discuss with the auditor or auditing firms any significant weaknesses in the internal control system detected in the course of the audits, without ever compromising its independence. To this end, and where applicable, recommendations and proposals, together with the relevant follow-up deadlines, may be submitted to the board of directors.

In accordance with the process established for such purpose, any significant internal control weakness that has been detected by the auditor of the financial statements in the course of its work, will be formally reported in writing to the two levels of management: to the Management that will define, in such case, the action plans to be implemented to mitigate the internal control weaknesses detected, which will be subsequently presented to the Audit Committee.

Ten meetings of the Audit Committee were held in 2020.

External auditors attended four Audit Committee meetings to communicate the provisional status of the audit work on the Group's financial statements and the essential facts detected, including the areas for improvement detected in the internal control, which, without being significant weaknesses, have been deemed to be

potentially useful.

The Director of the Internal Audit Committee has periodically participated in Audit Committee meetings, presenting the degree of progress of the work undertaken in relation to the ICFRS, as well as the internal control weaknesses identified in the course of said work and in the rest of audits performed during the year.

#### **F.6 Other relevant information**

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Not applicable.

#### **F.7 External auditor's report**

Indicate:

F.7.1. Whether the ICFRS information reported to the markets has been submitted for review by the external auditor. If so, the related report should be included in the corresponding report as an Appendix. If not, give reasons why.

The Internal Control Function carries out continuous monitoring of the ICFR, validating its design and the effectiveness of its controls.

Likewise, the Internal Audit Department, with the supervision of the Internal Audit Committee, carries out audits of the ICFR, reviewing compliance with its requirements and procedures. These tasks are complemented by contributions from the external auditor regarding the identification, where appropriate, of internal control weaknesses in the course of their external audit work.

These supervision activities are considered adequate and sufficient, therefore it has not been considered necessary in 2020 to submit the information from the ICFR for additional external review.



## **G DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS**

State the company's degree of compliance with the recommendations of the Good Governance Code for Listed Companies.

If the company does not comply with any recommendation or follows it partially, there must be a detailed explanation of the reasons providing shareholders, investors, and the market in general with sufficient information to assess the company's course of action. Generalised explanations will not be acceptable.

1. **The bylaws of listed companies should not place an upper limit on the votes that can be cast by a single shareholder, or impose other obstacles to the takeover of the company by means of share purchases on the market.**

Complies  Explain

2. **That, when the listed company is controlled, within the meaning of article 42 of the Commercial Code, by another entity, listed or not, and has, directly or through its subsidiaries, business relationships with said entity or one of its subsidiaries (other than those of the listed company) or develop activities related to those of any of them publicly report with precision about:**

a) **The respective areas of activity and eventual business relationships between, on the one hand, the listed company or its subsidiaries and, on the other, the parent company or its subsidiaries.**

b) **The mechanisms provided to resolve any conflicts of interest that may arise.**

Complies  Partly complies  Explain  Not applicable

3. **During the annual general meeting, the chairman of the board should verbally inform shareholders in sufficient detail of the most relevant aspects of the company's corporate governance, supplementing the written information circulated in the annual corporate governance report. In particular regarding:**

a) **Changes taking place since the previous annual general meeting.**

b) **The specific reasons why the Company does not follow some of the recommendations of the Good Governance Code and, if any, the alternative rules that apply in this area.**

Complies  Partly complies  Explain

4. **That the company define and promote a policy regarding communication and contacts with shareholders and institutional investors within the framework of their involvement in the company, as well as with proxy advisors that is fully compliant with the rules against market abuse and give similar treatment to shareholders who are in the same position. And that the company makes said policy public through its website, including information regarding the way in which it has been put into practice and identifying the interlocutors or persons responsible for carrying it out.**

**And that, without prejudice to the legal obligations to disseminate privileged information and other types of regulated information, the company also has a general policy regarding the communication of economic-financial, non-financial and corporate information through the channels it considers appropriate (communication media, social networks or other channels) that helps to maximize the dissemination and quality of information available to the market, investors and other interest groups.**

Complies  Partly complies  Explain

5. The board of directors should not make a proposal to the general meeting for the delegation of powers to issue shares or convertible securities without pre-emptive subscription rights for an amount exceeding 20% of capital at the time of such delegation.

When the board approves the issuance of shares or convertible securities without pre-emptive subscription rights, the company should immediately post a report on its website explaining the exclusion as envisaged in company legislation.

Complies  Partly complies  Explain

6. That the listed companies that prepare the reports mentioned below, either on a mandatory or voluntary basis, publish them on their website sufficiently in advance of the holding of the ordinary general meeting, although their dissemination is not mandatory:

a) Report on the independence of the auditor.

b) Reports on the operation of the audit and appointments and remuneration committees.

c) Report of the audit committee on related-party transactions.

Complies  Partly complies  Explain

7. That the company transmit live, through its website, the holding of general shareholders' meetings. And that the company has mechanisms that allow the delegation and the exercise of the vote by electronic means and even, in the case of companies with high capitalization and to the extent that it is proportionate, the attendance and active participation in the General Meeting.

Complies  Explain

8. That the audit committee ensure that the annual accounts that the board of directors present to the general meeting of shareholders are prepared in accordance with accounting regulations. And that in those cases in which the account auditor has included any qualification in his audit report, the chairman of the audit committee clearly explains at the general meeting the opinion of the audit committee on its content and scope, making the disposition of the shareholders at the time of publication of the call for the meeting, together with the rest of the proposals and reports of the board, a summary of said opinion.

Complies  Partly complies  Explain

9. The company should disclose on its website, on an ongoing basis, its conditions and procedures for admitting share ownership, the right to attend general meetings and the exercise or delegation of voting rights.

Such conditions and procedures should encourage shareholders to attend and exercise their rights and be applied in a non-discriminatory manner.

Complies  Partly complies  Explain

10. When an accredited shareholder exercises the right to supplement the agenda or submit new proposals prior to the general meeting, the company should:

a) Immediately circulate the supplementary items and new proposals.

b) Disclose the model of attendance card or proxy appointment or remote voting form duly modified so that new agenda items and alternative proposals can be voted on in the same terms as those submitted by the board of directors.

c) Put all these items or alternative proposals to the vote applying the same voting rules as for those submitted by the board of directors, with particular regard to presumptions

or deductions about the direction of votes.

d) After the general meeting, disclose the breakdown of votes on such supplementary items or alternative proposals.

Complies  Partly complies  Explain  Not applicable

11. In the event that a company plans to pay for attendance at the general meeting, it should first establish a general, long-term policy in this respect.

Complies  Partly complies  Explain  Not applicable

12. The board of directors should perform its duties with unity of purpose and independent judgement, according the same treatment to all shareholders in the same position. It should be guided at all times by the company's best interest, understood as the creation of a profitable business that promotes its sustainable success over time, while maximising its economic value.

In pursuing the corporate interest, it should not only abide by laws and regulations and conduct itself according to principles of good faith, ethics and respect for commonly accepted customs and good practices, but also strive to reconcile its own interests with the legitimate interests of its employees, suppliers, clients and other stakeholders, as well as with the impact of its activities on the broader community and the natural environment.

Complies  Partly complies  Explain

13. The board of directors should have an optimal size to promote its efficient functioning and maximise participation. The recommended range is accordingly between five and fifteen members.

Complies  Explain

14. That the board of directors approves a policy aimed at favoring an appropriate composition of the board of directors and that:

a) is concrete and verifiable;

b) ensure that the nomination or re-election proposals are based on a prior analysis of the competencies required by the board of directors;

c) favors the diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a significant number of senior managers favor gender diversity.

That the result of the preliminary analysis of the powers required by the board of directors is included in the justifying report of the appointments committee that is published when the general meeting of shareholders is called to which the ratification, appointment or re-election of each advisor.

The appointments committee will annually verify compliance with this policy and will report on it in the annual corporate governance report.

Complies  Partly complies  Explain

The Selection Policy approved by the Board of Directors on December 17, 2020 establishes a general principle of diversity in which the one relating to gender diversity is not specifically specified.

However, the Appointments and Remuneration Committee, at its meeting on July 25, 2019, adopted the measure that, given the equality of knowledge and experience of the candidates who have to fill a vacancy, the hiring of women would be favored.

Similarly, in the context of the evaluation of the Board of Directors referred to in

sections C.1.17 and C.1.18, the action plan prepared by the Appointments and Remuneration Committee and submitted for approval by the Board of Directors, includes some recommendations to be carried out during the 2021 financial year, among which the one relating to the equality of knowledge and experience of the candidates who have to fill a vacancy, the hiring of women would be favored.

- 15. That the proprietary and independent directors constitute a large majority of the board of directors and that the number of executive directors is the minimum necessary, taking into account the complexity of the corporate group and the percentage of participation of the executive directors in the capital of the company. And that the number of female directors represents, at least, 40% of the members of the board of directors before the end of 2022 and onwards, not previously being less than 30%.**

Complies  Partly complies  Explain

It is the intention of the Board of Directors to comply with the principle of diversity of gender diversity included in the Selection Policy of the Board of Directors and in the Guidance Guide of Knowledge, Skills, Diversity and Experience of the Board of Directors. However, during the financial year 2020, no vacancies have arisen in the board of directors except for those produced by Mr. Shinichi Hori and Mr. Katsutoshi Yokoi, both proprietary directors, so the Company has not had the opportunity to apply this principle during the process of selecting a candidate.

- 16. The percentage of proprietary directors out of all non-executive directors should be no greater than the proportion between the ownership stake of the shareholders they represent and the remainder of the company's capital.**

**This criterion can be relaxed:**

- a) **In large cap companies where few or no equity stakes attain the legal threshold for significant shareholdings.**
- b) **In companies with a plurality of shareholders represented on the board but not otherwise related.**

Complies  Explain

- 17. Independent directors should represent at least half of all board members.**

**However, when the company does not have a large market capitalisation, or when a large cap company has shareholders individually or concertedly controlling over 30 % of capital, independent directors should occupy, at least, a third of board places.**

Complies  Explain

- 18. Companies should disclose the following director particulars on their websites and keep them regularly updated:**

- a) **Professional profile and biographical data.**
- b) **Directorships held in other companies, listed or otherwise, and other paid activities they engage in, of whatever nature.**
- c) **Statement of the director class to which they belong, in the case of proprietary directors indicating the shareholder they represent or have links with.**
- d) **Dates of their first appointment as a board director and subsequent re-elections.**
- e) **Shares held in the company and any options thereon.**

Complies  Partly complies  Explain

19. Following verification by the appointments committee, the annual corporate governance report should disclose the reasons for the appointment of proprietary directors at the urging of shareholders controlling less than 3% of capital; and explain any rejection of a formal request for a board place from shareholders whose equity stake is equal to or greater than that of others applying successfully for a proprietary directorship.

Complies  Partly complies  Explain  Not applicable

20. Proprietary directors should resign when the shareholders they represent dispose of their ownership interest in its entirety. If such shareholders reduce their stakes, thereby losing some of their entitlement to proprietary directors, the number of the latter should be reduced accordingly.

Complies  Partly complies  Explain  Not applicable

21. The board of directors should not propose the removal of independent directors before the expiry of their tenure as mandated by the bylaws, except where they find just cause, following a report by the appointments committee. In particular, just cause will be presumed when directors take up new posts or responsibilities that prevent them allocating sufficient time to the position of board member, or are in breach of their fiduciary duties or come under one of the disqualifying grounds for classification as independent enumerated in the applicable legislation.

The removal of independent directors may also be proposed when a takeover bid, merger or similar corporate transaction alters the company's capital structure, provided the changes in board membership ensue from the proportionality criterion set out in recommendation 16.

Complies  Explain

22. That companies establish rules that oblige directors to inform and, where appropriate, to resign when situations that affect them arise, related or not to their performance in the company itself, that may harm its credit and reputation, and, in particular, that they oblige them to inform the board of directors of any criminal case in which they appear as investigated, as well as their procedural vicissitudes. And that, having been informed or the board having otherwise known any of the situations mentioned in the previous paragraph, examine the case as soon as possible and, taking into account the specific circumstances, decide, following a report from the appointments and remuneration, whether or not to adopt any measure, such as opening an internal investigation, requesting the resignation of the director or proposing their removal. And that it be reported in this regard in the annual corporate governance report, unless there are special circumstances that justify it, which must be recorded in the minutes. This without prejudice to the information that the company must disseminate, if appropriate, at the time of the adoption of the corresponding measures.

Complies  Partly complies  Explain

23. All directors should express their clear opposition when they feel a proposal submitted for the Board's approval might damage the corporate interest. In particular, independents and other directors not subject to potential conflicts of interest should strenuously challenge any decision that could harm the interests of shareholders lacking board representation.

When the Board makes material or reiterated decisions about which a director has expressed serious reservations, then he/she must draw the pertinent conclusions. Directors resigning for such causes should set out their reasons in the letter referred to in the next recommendation.

The terms of this recommendation also apply to the Secretary of the Board, director or otherwise.

Complies  Partly complies  Explain  Not applicable

24. That companies establish rules that oblige directors to inform and, where appropriate, to resign when situations that affect them arise, related or not to their performance in the company itself, that may harm its credit and reputation, and, in particular, that they oblige them to inform the board of directors of any criminal case in which they appear as investigated, as well as their vicissitudes That when, either by resignation or by resolution of the general meeting, a director leaves his position before the term of their mandate, sufficiently explain the reasons for their resignation or, in the case of non-executive directors, their opinion on the reasons for the removal by the meeting, in a letter that they will send to all members of the board of directors.

And that, without prejudice to the fact that all this is reported in the annual corporate governance report, insofar as it is relevant for investors, the company publishes the termination as soon as possible including sufficient reference to the reasons or circumstances provided by the counselor.

And that, having been informed or the board having otherwise known any of the situations mentioned in the previous paragraph, examine the case as soon as possible and, taking into account the specific circumstances, decide, following a report from the appointments and remuneration, whether or not to adopt any measure, such as opening an internal investigation, requesting the resignation of the director or proposing their removal. And that it be reported in this regard in the annual corporate governance report, unless there are special circumstances that justify it, which must be recorded in the minutes. This without prejudice to the information that the company must disseminate, if appropriate, at the time of the adoption of the corresponding measures.

Complies  Partly complies  Explain  Not applicable

25. The appointments committee should ensure that non-executive directors have sufficient time available to discharge their responsibilities effectively.

The board of directors' regulations should lay down the maximum number of company boards on which directors can serve.

Complies  Partly complies  Explain

26. The board should meet with the necessary frequency to properly perform its functions, eight times a year at least, in accordance with a calendar and agendas set at the start of the year, to which each director may propose the addition of initially unscheduled items.

Complies  Partly complies  Explain

27. Director absences should be kept to a strict minimum and quantified in the annual corporate governance report. In the event of absence, directors should delegate their powers of representation with the appropriate instructions.

Complies  Partly complies  Explain

28. When directors or the secretary express concerns about some proposal or, in the case of directors, about the company's performance, and such concerns are not resolved at the meeting, they should be recorded in the minute book if the person expressing them so requests.

Complies  Partly complies  Explain  Not applicable

29. The company should provide suitable channels for directors to obtain the advice they need to carry out their duties, extending, if necessary, to external assistance at the company's expense.

Complies  Partly complies  Explain

30. Regardless of the knowledge directors must possess to carry out their duties, they should also be offered refresher programmes when circumstances so advise.

Complies  Explain  Not applicable

31. The agendas of board meetings should clearly indicate on which points directors must arrive at a decision in order for them to study the matter beforehand or gather together the material they need.

For reasons of urgency, the chairperson may wish to present decisions or resolutions for board approval that were not on the meeting agenda. In such exceptional circumstances, their inclusion will require the express prior consent, duly recorded in the minutes, of the majority of directors present.

Complies  Partly complies  Explain

32. Directors should be regularly informed of movements in share ownership and of the views of major shareholders, investors and rating agencies on the company and its group.

Complies  Partly complies  Explain

33. The chairperson, as the person charged with the efficient functioning of the board of directors, in addition to the functions assigned by law and the company's bylaws, should prepare and submit to the board a schedule of meeting dates and agendas; organise and coordinate regular evaluations of the board and, where appropriate, the company's chief executive officer; exercise leadership of the board and be accountable for its proper functioning; ensure that sufficient time is given to the discussion of strategic issues, and approve and review knowledge refresher courses for each director, when circumstances so advise.

Complies  Partly complies  Explain

34. When a coordinating independent director has been appointed, the bylaws or board of directors regulations should grant him or her the following powers over and above those conferred by law: chair the board of directors in the absence of the chairperson or vice-chairpersons, if they exist; give voice to the concerns of non-executive directors; maintain contacts with investors and shareholders to hear their views and develop a balanced understanding of their concerns, especially those to do with the company's corporate governance; and coordinate the chairperson's succession plan.

Complies  Partly complies  Explain  Not applicable

35. The board secretary should strive to ensure that the board's actions and decisions are informed by the good governance recommendations contained in this Good Governance Code that are of relevance to the company.

Complies  Explain

36. The board in full should conduct an annual evaluation, adopting, where necessary, an action plan to correct deficiencies detected in:

- a) **The quality and efficiency of the board's operation.**
- b) **The performance and membership of its committees.**
- c) **The diversity of board membership and competences.**
- d) **The performance of the chairman of the board of directors and the company's chief executive.**
- e) **The performance and contribution of individual directors, with particular attention to the chairpersons of board committees.**

**The evaluation of board committees should start from the reports they send the board of directors, while that of the board itself should start from the report by the appointments committee.**

**Every three years, the board of directors should engage an external facilitator to aid in the evaluation process. This facilitator's independence should be verified by the appointments committee.**

**Any business dealings that the facilitator or members of its corporate group maintain with the company or members of its corporate group should be detailed in the annual corporate governance report.**

**The process followed and areas evaluated should be detailed in the annual corporate governance report.**

Complies       Partly complies       Explain

- 37. When an executive committee exists, its membership mix by director class should resemble that of the board. The secretary of the board should also act as secretary to the executive committee. When there is an executive committee on it, there is the presence of at least two non-executive directors, at least one of them being independent; and that its secretary is the secretary of the board of directors.**

Complies       Partly complies       Explain       Not applicable

- 38. The board should be kept fully informed of the business transacted and decisions made by the executive committee. To this end, all board members should receive a copy of the minutes of executive committee meetings.**

Complies       Partly complies       Explain       Not applicable

- 39. That the members of the audit committee as a whole, and especially its chairman, be appointed taking into account their knowledge and experience in accounting, auditing and risk management, both financial and non-financial.**

Complies       Partly complies       Explain

- 40. There should be a unit in charge of the internal audit function, under the supervision of the audit committee, to monitor the effectiveness of reporting and internal control systems. This unit should report functionally to the board's non-executive chairperson or the chairperson of the audit committee.**

Complies       Partly complies       Explain

- 41. That the head of the unit that assumes the internal audit function present to the audit committee, for its approval by the latter or by the board, its annual work plan, report directly on its execution, including possible incidents and limitations to the scope that are presented in its development, the results and the follow-up of its recommendations and submit an activity report at the end of each year.**



Complies  Partly complies  Explain  Not applicable

42. That, in addition to those provided by law, the following functions correspond to the audit committee:

1. In relation to the information and internal control systems:

a) Supervise and evaluate the process of preparation and the integrity of financial and non-financial information, as well as the control and management systems of financial and non-financial risks related to the company and, where appropriate, to the group - including operational ones, technological, legal, social, environmental, political and reputational or related to corruption— reviewing compliance with regulatory requirements, the adequate delimitation of the consolidation perimeter and the correct application of accounting criteria.

b) Ensure the independence of the unit that assumes the internal audit function; propose the selection, appointment and removal of the person in charge of the internal audit service; propose the budget for this service; approve or propose approval to the board of the guidance and annual work plan of internal audit, ensuring that its activity is primarily focused on relevant risks (including reputational risks); receive periodic information about your activities; and verify that senior management takes into account the conclusions and recommendations of its reports.

c) Establish and supervise a mechanism that allows employees and other people related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report irregularities of potential importance, including financial and accounting irregularities, or of any other nature, related to the company that they notice within the company or its group. Said mechanism must guarantee confidentiality and, in any case, foresee cases in which communications can be made anonymously, respecting the rights of the complainant and the accused.

d) Generally ensure that the policies and systems established in matters of internal control are applied effectively in practice.

2. In relation to the external auditor:

2. In relation to the external auditor:

a) In the event of the resignation of the external auditor, examine the circumstances that led to it.

b) Ensure that the remuneration of the external auditor for their work does not compromise their quality or independence.

c) Supervise that the company communicates the change of auditor through the CNMV and accompanies it with a statement on the eventual existence of disagreements with the outgoing auditor and, if there were any, their content.

d) Ensure that the external auditor holds an annual meeting with the full board of directors to inform them about the work carried out and about the evolution of the accounting and risk situation of the company.

e) Ensure that the company and the external auditor respect the current regulations on the provision of services other than auditing, the limits to the concentration of the auditor's business and, in general, the other regulations on the independence of auditors

Complies  Partly complies  Explain

43. The audit committee should be empowered to meet with any company employee or manager, even ordering their appearance without the presence of another senior officer.

Complies  Partly complies  Explain

44. The audit committee should be informed of any fundamental changes or corporate transactions the company is planning, so the committee can analyse the operation and report to the board beforehand on its economic conditions and accounting impact and, when applicable, the exchange ratio proposed.

Complies  Partly complies  Explain  Not applicable

45. That the risk control and management policy identifies or determines at least:

a) The different types of risk, financial and non-financial (among others, operational, technological, legal, social, environmental, political and reputational, including those related to corruption) that society faces, including financial or economic, contingent liabilities and other off-balance sheet risks.

b) A risk control and management model based on different levels, of which a specialized risk committee will form part when the sectoral regulations provide for it or the company deems it appropriate.

c) The level of risk that the company considers acceptable.

d) The measures envisaged to mitigate the impact of the identified risks, should they materialize.

e) The information and internal control systems that will be used to control and manage the aforementioned risks, including contingent liabilities or off-balance sheet risks.

Complies  Partly complies  Explain

46. Companies should establish a risk control and management function in the charge of one of the company's internal departments or units and under the direct supervision of the audit committee or some other dedicated board committee. This function should be expressly charged with the following responsibilities:

a) Ensure that risk control and management systems are functioning correctly and, specifically, that major risks the company is exposed to are correctly identified, managed and quantified.

b) Actively participate in the preparation of the risk strategy and in key decisions regarding their management.

c) Ensure that risk control and management systems are mitigating risks effectively in the frame of the policy drawn up by the board of directors.

Complies  Partly complies  Explain

47. Members of the appointments and remuneration committee—or of the appointments committee and remuneration committee, if separately constituted—should have the right balance of knowledge, skills and experience for the functions they are called on to discharge. The majority of their members should be independent directors.

Complies  Partly complies  Explain

48. Large cap companies should operate separately constituted appointments and remuneration committees.

Complies  Explain  Not applicable

49. The appointments committee should consult with the company's chairperson and chief executive, especially on matters relating to executive directors.

When there are vacancies on the board, any director may approach the appointments

committee to propose candidates that it may consider suitable.

Complies  Partly complies  Explain

50. The remuneration committee should operate independently and have the following functions in addition to those assigned by law:

- a) Propose to the board the standard conditions for senior officer contracts.
- b) Monitor compliance with the remuneration policy set by the company.
- c) Periodically review the remuneration policy for directors and senior officers, including share-based remuneration systems and their application, and ensure that their individual compensation is proportionate to the amounts paid to other directors and senior officers in the company.
- d) Ensure that conflicts of interest do not undermine the independence of any external advice the committee engages.
- e) Verify the information on director and senior officers' pay contained in different corporate documents, including the annual directors' remuneration statement.

Complies  Partly complies  Explain

51. The remuneration committee should consult with the company's chairperson and chief executive, especially on matters relating to executive directors and senior officers.

Complies  Partly complies  Explain

52. The terms of reference of supervision and control committees should be set out in the regulations of the board of directors and aligned with those governing legally mandatory board committees as specified in the preceding sets of recommendations. They should include at least the following terms:

- a) Committees should be formed exclusively by non-executive directors, with a majority of independents.
- b) They should be chaired by independent directors.
- c) The board should appoint the members of such committees in relation to the knowledge, skills and experience of its directors and each committee's tasks; discuss their proposals and reports; and provide report-backs on their activities and work at the first board plenary following each committee meeting.
- d) They may engage external advice, when they deem it necessary for the discharge of their functions.
- e) Meeting proceedings should be minuted and a copy made available to all board members.

Complies  Partly complies  Explain  Not applicable

53. That the supervision of compliance with the policies and rules of the company in environmental, social and corporate governance matters, as well as the internal codes of conduct, be attributed to one or is distributed among several committees of the board of directors that may be the Audit committee, appointments committee, a committee specialized in sustainability or corporate social responsibility or another specialized committee that the board of directors, in exercise of its self-organization powers, has decided to create. And that such committee is made up solely of non-executive directors, the majority being independent and specifically assigned the minimum functions indicated in the following recommendation.

Complies  Partly complies  Explain

54. The minimum functions to which the previous recommendation refers are the following:
- a) Supervising compliance with the rules of corporate governance and the internal codes of conduct of the company, also ensuring that the corporate culture is aligned with its purpose and values.
  - b) Supervising the application of the general policy regarding the communication of economic-financial, non-financial and corporate information as well as communication with shareholders and investors, proxy advisors and other stakeholders. Likewise, the way in which the entity communicates and relates to small and medium shareholders will be monitored.
  - c) The evaluation and periodic review of the corporate governance system and of the company's environmental and social policy, in order that they fulfill their mission of promoting the social interest and take into account, as appropriate, the legitimate interests of the remaining interest groups.
  - d) Supervising that society's practices in environmental and social matters conform to the established strategy and policy.
  - e) The supervision and evaluation of the relationship processes with the different stakeholders.

Complies  Partly complies  Explain

55. That sustainability policies in environmental and social matters identify and include at least:
- a) The principles, commitments, objectives and strategy regarding shareholders, employees, clients, suppliers, social issues, the environment, diversity, fiscal responsibility, respect for human rights and prevention of corruption and other illegal conduct
  - b) The methods or systems for monitoring compliance with policies, associated risks and their management.
  - c) The mechanisms for supervising non-financial risk, including that related to ethical aspects and business conduct.
  - d) The channels of communication, participation and dialogue with stakeholders.
  - e) Responsible communication practices that avoid information manipulation and protect integrity and honor.

Complies  Partly complies  Explain

56. Director remuneration should be sufficient to attract individuals with the desired profile and compensate the commitment, abilities and responsibility that the post demands, but not so high as to compromise the independent judgement of non-executive directors.

Complies  Explain

57. Variable remuneration linked to the company and the director's performance, the award of shares, options or any other right to acquire shares or to be remunerated on the basis of share price movements, and membership of long-term savings schemes such as pension plans, retirement schemes or other welfare schemes, should be confined to executive directors.

The company may consider the share-based remuneration of non-executive directors provided they retain such shares until the end of their mandate. This condition, however, will not apply to shares that the director must dispose of to defray costs related to their acquisition.

Complies  Partly complies  Explain

58. In the case of variable awards, remuneration policies should include limits and technical safeguards to ensure they reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the company's sector, or circumstances of that kind.

In particular, variable remuneration items should meet the following conditions:

- a) Be subject to predetermined and measurable performance criteria that factor the risk assumed to obtain a given outcome.
- b) Promote the long-term sustainability of the company and include non-financial criteria that are relevant for the company's long-term value, such as compliance with its internal rules and procedures and its risk control and management policies.
- c) Be focused on achieving a balance between the delivery of short, medium and long-term objectives, such that performance-related pay rewards ongoing achievement, maintained over sufficient time to appreciate its contribution to long-term value creation. This will ensure that performance measurement is not based solely on one-off, occasional or extraordinary events.

Complies  Partly complies  Explain  Not applicable

The Company's variable remuneration system is based on strictly objective, measurable and quantifiable criteria, of an economic-financial nature, linked 100% to the value of the Group:

- The annual variable remuneration pursues the achievement of three economic-financial objectives with different weighting levels linked to the Group's value in the short term: 65% linked to consolidated EBITDA, 25% linked to Working Capital and the remaining 10% linked to Capital Investments (CAPEX) defined in the annual Budget.
- The multi-year variable remuneration seeks to create long-term value, promote the retention and motivation of Executive personnel, as well as align their interests with the interests of the Company, as defined in the Group's Strategic Plan at all times, and that indirectly they are also aligned with the interests of the shareholders in that it contributes to the creation of value of the Group. The Group value is understood as a multiple of the consolidated Ebitda minus the Net Debt.

In this sense, the Company understands that these criteria consider the risk assumed to obtain the result, insofar as they not only consider the obtaining of results, measured in terms of Ebitda, but also the levels of indebtedness of the Company for the achieving them.

The variable remuneration system applied to the Company's Executive Directors is also applicable to all employees with variable remuneration, that is, the same objectives and measurement criteria are applied to more than 1,200 employees, including directors, executives, managers and employees. The variable remuneration system does not incorporate non-financial criteria regarding the degree of compliance with the rules and internal procedures of the Company and its policies for the control and management of risks, since the Company applies the principle of zero tolerance for any non-compliance

Partial or total of the Company's internal procedures and its risk control and management policies through the commitment and acceptance, by any employee, manager or director of the Company, of the Company's Code of Conduct and its regulations internal development.

Additionally, the alignment of the Directors, among them that of the Executive Director, Mr. Francisco López Peña, with the long-term strategy of the Company and with the evolution of the markets and the price of the share on the stock market, is carried out through the Plan launched in 2016 by which key executives were offered the possibility of buy shares of the Company at market price with financing from the Company itself

- 59. That the payment of the variable components of remuneration is subject to sufficient verification that the performance or other conditions previously established have been effectively met. The entities will include in the annual directors' remuneration report the criteria regarding the time required and methods for such verification based on the nature and characteristics of each variable component. That, additionally, the entities value the establishment of a reduction clause ('malus') based on the deferral for a sufficient period of the payment of a part of the variable components that implies their total or partial loss in the event that previously at the time of payment, an event occurs that makes it advisable.**

Complies       Partly complies       Explain       Not applicable

- 60. Remuneration linked to company earnings should bear in mind any qualifications stated in the external auditor's report that reduce their amount.**

Complies       Partly complies       Explain       Not applicable

- 61. A major part of executive directors' variable remuneration should be linked to the award of shares or financial instruments whose value is linked to the share price.**

Complies       Partly complies       Explain       Not applicable

The variable remuneration system for Executive Directors is based on a monetary and objective system associated with economic-financial metrics that are directly aligned with value creation for the shareholder.

The company does not directly contemplate a variable remuneration system for Executive Directors that includes the giving of shares or financial instruments whose value is linked to the share price. However, in 2016 the company offered certain key directors of the Group, including Francisco López Peña, the CEO of the Group, the possibility of buying company shares at the market price with the financed by the Company, a measure with which the interests of executive directors and senior management are aligned with the long-term objectives of the company. As a result, the inclusion of the provision of shares as variable remuneration has been deemed unnecessary.

- 62. That once the shares, options or financial instruments corresponding to the remuneration systems have been attributed, the executive directors cannot transfer their ownership or exercise them until after a period of at least three years.**

The exception is the case in which the director maintains, at the time of the transfer or exercise, a net economic exposure to the variation in the price of the shares for a market value equivalent to an amount of at least twice their annual fixed remuneration through the ownership of shares, options or other financial instruments.

The foregoing shall not apply to the shares that the director needs to dispose of in order to meet the costs related to their acquisition or, after a favorable assessment by the

**appointments and remuneration committee, to deal with extraordinary situations that may require it.**

Complies       Partly complies       Explain       Not applicable

**63. Contractual arrangements should include provisions that permit the company to reclaim variable components of remuneration when payment was out of step with the director's actual performance or based on data subsequently found to be misstated.**

Complies       Partly complies       Explain       Not applicable

**64. That the payments for termination or termination of the contract do not exceed an amount equivalent to two years of total annual remuneration and that they are not paid until the company has been able to verify that the director has met the criteria or conditions established for their perception. For the purposes of this recommendation, among the payments for contractual termination or termination, any payments whose accrual or payment obligation arises as a consequence or on the occasion of the termination of the contractual relationship that bound the director with the company, including amounts not previously long-term savings systems and amounts paid under post-contractual non-competition agreements.**

Complies       Partly complies       Explain       Not applicable



## OTHER INFORMATION OF INTEREST

1. If there are any significant aspects regarding corporate governance at the company or at entities of the group that are not included in the other sections of this report, but should be included in order to provide more complete and well-reasoned information regarding the corporate governance structure and practices at the entity or its group, briefly describe them.
2. In this section, you may also include any other information, clarification, or comment relating to the prior sections of this report provided that they are relevant and not repetitive.

Specifically, state whether the company is subject to laws other than Spanish laws regarding corporate governance and, where applicable, include any information that the company is required to provide which is different to the information required in this report.

### Section A.7.

Private shareholders' agreement entered into by Acek Desarrollo y Gestión Industrial, S.L., Mitsui & Co., Ltd. and Gestamp 2020, S.L. on 23 December 2016.

The most significant agreements it contains affecting the Company are as follows:

- (i) The Gestamp 2020, S.L. Board of Directors must hold a meeting prior to the Company's Annual General Shareholders' Meeting in order to decide upon how to vote and appoint a representative for Gestamp 2020, S.L. in said Meeting. Mitsui & Co. Ltd. does not hold any voting rights regarding items on the agenda at the Company's Annual General Shareholders' Meeting.
- (ii) The Company's Board of Directors must have a minimum of 9 and a maximum of 15 members. Mitsui & Co., Ltd. shall have the right to propose the appointment of 2 members of the Company's Board of Directors out of the total number of members that Gestamp 2020, S.L. has the right to appoint, provided that it holds a stake, either directly or indirectly, in at least 10% of the Company's share capital. In the event that the stake held drops below 10% but remains above 5%, Mitsui & Co., Ltd. would have the right to propose the appointment of 1 member of the Company's Board of Directors out of the total number of members that Gestamp 2020, S.L. has the right to appoint.
- (iii) In the event that any Gestamp 2020, S.L. shareholders have the intention of transferring their indirectly held stake in the Company, the non-transferring shareholder becomes entitled to purchase the stake of the transferring shareholder in Gestamp 2020, S.L. for a price equivalent to that of the sum of the closing market price of the Company's share divided by the sum of the trading days in the month after the notification regarding the share transfer. If the right of first refusal is not exercised, the transferring shareholder may, at its discretion, request the following within 3 months:
  - (a) That Gestamp 2020, S.L. sells company shares that indirectly belong to the transferring shareholder, using the price obtained from such sale to buy shares of Gestamp 2020, S.L., which directly belong to the transferring Shareholder.



- (b) The shares in Gestamp 2020, S.L. are amortised obtaining in return the distribution of company shares indirectly held.
- (c) Gestamp 2020, S.L. is dissolved, allocating to each partner the company shares that correspond to it in accordance with the stake held in Gestamp 2020, S.L.
- (iv) Except where provided for in the agreement, Gestamp 2020, S.L. cannot sell or use the company shares in its name as security without the consent of both partners.
- (v) Acek Desarrollo y Gestión Industrial, S.L. may transfer at any time all or part of the company shares that it directly holds.
- (vi) Without prejudice to the rights of Mitsui & Co. Ltd. under the agreement, Acek Desarrollo y Gestión Industrial, S.L. may keep control of the company and of Gestamp 2020, S.L. and its business.
- (vii) In the event of a material breach of the private shareholders' agreement by Mitsui & Co. Ltd., Acek Desarrollo y Gestión Industrial, S.L. shall be entitled to exercise a call option on the stake held by Mitsui & Co. Ltd. in Gestamp 2020, S.L. for a price equivalent to 90% of its market value. In the event of a breach by Acek Desarrollo y Gestión Industrial, S.L., Mitsui & Co. Ltd. may exercise a put option on its stake in Gestamp 2020, S.L. for a price equivalent to 110% of its market value.

Private shareholders' agreement entered into by Mr. Francisco José Riberas Mera, Halekulani, S.L., Juan María Riberas Mera, Ion-Ion, S.L. and Acek Desarrollo y Gestión Industrial, S.L. on 21 March 2017.

The most significant agreements it contains are as follows:

- (i) The governing body of Acek Desarrollo y Gestión Industrial, S.L. must hold a meeting prior to the Annual General Shareholders' Meeting of the Company or of Gestamp 2020, S.L. in order to come to an agreement on how Acek Desarrollo y Gestión Industrial, S.L. will vote and to appoint its proxy for said meetings.
- (ii) Right of first refusal and *tag-along* right of the Acek Desarrollo y Gestión Industrial, S.L. shareholders and, in the case of the right of first refusal, on a subsidiary basis to the company itself, in the event that any of the shareholders have the intention of transferring their stake to a third party. The aforementioned rights will not come into play in particular transfers to member of the Riberas family or to companies or foundations controlled by the transferring shareholder or his/her family.
- (iii) Regulation of a conciliation procedure and, on a subsidiary basis, a mediation procedure for deadlock situations involving Acek Desarrollo y Gestión Industrial, S.L., and indirectly involving the Company. In the event that the deadlock is not solved through the conciliation or mediation, each of the Acek Desarrollo y Gestión Industrial, S.L. shareholders may determine the vote that indirectly corresponds to them in Gestamp 2020, S.L. by means of their stake in Acek Desarrollo y Gestión Industrial, S.L.

### **Section C.1.3**

Regarding the appointment of Mr. Tomofumi Osaki and Mr. Norimichi Hatayama, it is established that they were proposed by Mitsui & Co. Ltd. to Acek Desarrollo y Gestión Industrial, S.L., pursuant to the provisions in the shareholders agreement entered into between Acek Desarrollo y Gestión Industrial, S.L., Mitsui & Co., Ltd. and Gestamp 2020, S.L., referred to in section A.7.

### **Section C.1.13**

The amount of remuneration of the Board of Directors accrued in 2020 included in this section differs from the amount included on the Note 32.2. to the annual financial statements of the Group as the accrual criteria applied is different regarding the long term incentive.

### **Section C.1.14**

In accordance with what is established in the instructions for completing this report, it is hereby stated that the Company's Internal Audit and Risk Management Director was not included in the table in section C.1.14 given that she is not considered to be a member of senior management, since, as this term is legally defined, only members of the Company's Management Committee hold this status.

Furthermore, it is hereby stated that the total amount of the remuneration of Senior Management corresponding to financial year 2020 as set out in section C.1.14 of this report include: the salaries paid during the year; the annual variable remuneration accrued in the year, and payment thereof is envisaged once the 2020 Financial Statements have been formally approved by the Annual General Shareholders' Meeting which will be held in 2021; the sum of any benefits granted and compensation paid due to two Senior Managers leaving the Management Committee in the year in question.

Also, the remuneration amount of the Senior Management accrued in 2018 included in this section differs from the amount included on the Note 32.3. to the annual financial statements of the Group as the accrual criteria applied is different regarding the long term incentive.

### **Section C.2.1.**

#### Procedures and rules of organisation and functioning of the Audit Committee and the Nomination and Compensation Committee

Article 39 of the Regulations of the Board of Directors sets forth the following rules applicable to both Committees:

“a) The Board of Directors shall appoint the members of such committees, taking into account the knowledge, skills and experience of the directors and each committee's tasks; it shall discuss their proposals and reports; and provide report-backs on their activities and work carried out.

(b) They shall be exclusively made up of non-executive directors, with a minimum of three and a maximum of five. The above is understood notwithstanding the potential presence of executive directors or Senior Managers in their meetings, for reporting

purposes, when each of the committees agrees to this. However, the presence of the executive Chairman in these meetings shall be exceptional.

(c) Independent directors shall be in the majority at all times, where one is to be appointed Chairperson.

(d) The Secretary shall be the Secretary of the Board of Directors.

(e) They may seek external advice when deemed necessary for the performance of their duties under the same circumstances as those applicable to the Board (*mutatis mutandi*).

(f) Minutes shall be taken of the meetings and a copy thereof shall be sent to all the members of the Board.

(g) The committees shall meet whenever necessary, at the Chairperson's discretion, 33 to exercise their powers, and whenever two of its members so request.

(h) The rules of operation shall be those that govern the functioning of the Board. In this way, they shall be validly constituted whenever the majority of its members are present or represented, and its resolutions shall be adopted by an absolute majority of the directors in attendance. In the event of a tie, the Committee Chairperson shall have the casting vote.

(i) The Chairman of the corresponding committees shall inform the Board of Directors of the issues discussed and the resolutions adopted at the meetings during the first Board of Directors' meeting held after the Committee meeting.

(j) Within three months after the end of each financial year, each committee shall submit a report on its work in the previous year for approval by the Board of Directors, and it shall be made available to the shareholders during their annual general meeting.

#### Duties of the Audit Committee and the Nomination and Compensation Committee

Article 40 of the Regulations of the Board of Directors attributes the following duties to the Audit Committee:

“(a) To inform the General Shareholders' Meeting about issues raised by the shareholders on matters for which it is competent and, in particular, about the findings of audits, explaining how they have contributed to the integrity of the financial reporting and the role that the Committee has played in the process.

(b) As regards information systems and internal control:

(i) To supervise the preparation process, integrity and presentation of regulated financial reporting on the Company, checking that regulatory requirements are met and accounting criteria are correctly applied.

(ii) To periodically review the internal control and risk management systems, including fiscal risks, so that the main risks are adequately identified, managed and reported, and also to discuss with the auditor any significant weaknesses in the internal control system found in the course of the audit, never compromising its independence. To this end, and where applicable, recommendations and proposals, with the relevant deadlines for follow-up, can be submitted to the administrative body.

(iii) To safeguard the independence and effectiveness of the internal audit function: to propose the selection, appointment, re-election and dismissal of the head of the internal audit service; to propose the budget for this service; to receive information about its activities regularly; to verify whether senior management takes into account the conclusions and recommendations in its reports; and to discuss with the auditor or auditing firms any significant weaknesses in the internal control system detected in the course of the audits.

(iv) To set up and supervise a mechanism that enables employees to anonymously and confidentially report any irregularities they may observe within the company.

(v) To approve, supervise, revise and oversee compliance with the Company's corporate social responsibility policy, which must focus on the creation of value at the Company and on fulfilment of its social and ethical duties.

- (c) With regards to the auditor:
    - (i) To bring proposals on the selection, appointment, re-election and replacement of the auditor, as well as the contract conditions for such party, to the Board and to be in charge of the selection process.
    - (ii) To regularly receive from the auditor information on the audit plan and the results of its implementation, and to verify whether senior management has taken its recommendations into account.
    - (iii) To establish an appropriate relationship with the auditor to receive information about any issues that could jeopardise the independence of the auditors, for examination by the Audit Committee, and any other information related to the progress of the auditing process, as well as any other correspondence stipulated in legislation on accounts auditing and auditing standards. At the least, it must receive written confirmation from the auditor or auditing firms once a year asserting their independence from the entity, or entities that are directly or indirectly related to it, as well as information about additional services of any kind provided to these entities by the aforementioned auditor or firms, or by individuals or entities related to them in accordance with legislation on accounts auditing.
    - (iv) To issue a report expressing an opinion on the independence of the auditor once a year, prior to issuance of the auditor's report. Such report must, in all cases, express a decision on the additional services referred to in the paragraph above.
  - (d) As regards the risk management and control policy:
    - (i) To propose to the Board of Directors a risk management and control policy, which shall identify as least: (i) the types of risk (operational, technological, financial, legal and reputational) to which the Company is exposed; (ii) setting the risk level deemed acceptable by the Company; (iii) measures to mitigate the impact of the risks identified, should they occur; and (iv) the control and reporting systems to be employed to control and manage said risks.
    - (ii) To supervise the operation of the Company's risk management and control unit, which is responsible for: (i) ensuring that the risk management and control systems function properly and, in particular, ensuring that all the significant risks affecting the Company are adequately identified, managed and quantified; (ii) actively participating in the creation of the risk strategy and in reaching important decisions about its implementation; and (iii) ensuring that the risk management and control systems adequately mitigate the risks in accordance with the policy defined by the Board of Directors.
  - (e) To review 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.
7. The Audit Committee must inform the Board of Directors before the latter adopts the relevant resolutions on the matters set forth by law, in the By-laws and in these Regulations and, specifically, on the following subjects:
- (a) The financial reports that the Company, due to its status as a listed company, must periodically publish. The Audit Committee shall ensure that interim financial statements are prepared using the same accounting criteria as the annual statements and, to this end, shall consider whether a limited review by the auditor is appropriate.
  - (b) 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 transactions or operations of a similar nature that, due to their complexity, could diminish the Company's transparency.
  - (c) Related-party transactions.
  - (d) Operations entailing structural and corporate modifications planned by the Company, analysing their financial terms and conditions, including, where applicable, the exchange ratio and impact on the accounts.
  - (...)

10. In relation to the corporate social responsibility policy, the Audit Committee must:
- (a) Propose the principles or commitments to be voluntarily undertaken by the Company in its relations with its diverse stakeholders;
  - (b) Identify the objectives of its corporate social responsibility policy and the support instruments to be deployed.
  - (c) Establish the corporate strategy with regards to sustainability, the environment and social issues.
  - (d) Determine specific practices on matters relating to: shareholders, employees, clients, suppliers, social welfare issues, the environment, diversity, fiscal responsibility, respect for human rights and the prevention of illegal conduct.
  - (e) Establish the methods or systems for monitoring the results of the specific practices referred to above, and identifying and managing related risks.
  - (f) Implement (1) monitoring mechanisms of non-financial risk, ethics and business conduct; and (2) the channels of communication, participation and dialogue with stakeholders; as well as responsible communication practices that prevent manipulation of information and protect integrity and honour."

On the other hand, Article 41 of the Regulations of the Board of Directors attributes the following duties to the Nomination and Compensation Committee:

- “(a) To assess the skills, knowledge and experience of the Board, describe the duties and skills required from the candidates to fill the vacancies, and assess the time and dedication required for them to perform the entrusted tasks.
- (b) To verify compliance with the board member hiring policy each year, and to report on this in the Annual Corporate Governance Report.
- (c) To examine and arrange the procedure for replacing the Chairman of the Board of Directors and, where appropriate, the chief executive, to make this process easily understood, and to make proposals to the Board to ensure that this process takes place in an orderly, well-planned manner.
- (d) To guide the proposals for the appointment and dismissal of members of Senior Management that the Chairman submits to the Board and the basic conditions of their contracts.
- (e) To raise proposals for appointments of independent directors to the Board of Directors, either for appointment under the co-option system or by submitting the proposal to the General Shareholders’ Meeting for a decision, and making proposals for re-election or removal of such directors by the General Shareholders’ Meeting.
- (f) To guide the proposals for appointments of other directors, either for appointment under the co-option system or by submitting the proposal to the General Shareholders’ Meeting for a decision, and making proposals for re-election or removal thereof by the General Shareholders’ Meeting.
- (g) To guide the Board on gender diversity issues, to set representation targets for the under-represented gender on the Board of Directors and to create guidelines for achieving such targets.
- (h) To arrange and coordinate periodic assessments of the Chairman of the Board of Directors and, in conjunction with this person, periodic assessments of the Board of Directors, its committees and the CEO of the Company.

2. The Nomination and Compensation Committee should consult with the company's Chairman or, in turn, chief executive, especially on matters relating to executive directors and senior officers. When there are vacancies on the board, any director may approach the Nomination and Compensation Committee to propose potential candidates that it considers suitable.

3. The Nomination and Compensation Committee, in addition to the duties indicated in previous sections, shall be responsible for the following in relation to remuneration:

- (a) Propose the following to the Board of Directors:

- (i) 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, as well as the individual remuneration and other contract conditions of executive directors, ensuring compliance with such policy.
  - (ii) The individual remuneration of directors and approval of the contracts entered into by the Company and its directors who carry out executive duties.
  - (iii) The types of contracts for Senior Management.
- (b) Ensure compliance with the remuneration policy for directors approved in the General Meeting.”

**Section D.2.**

For further information, see section 32 of the report of the Group's Consolidated Financial Statements corresponding to year-end 31 December 2020.

3. The company may also state whether it has voluntarily adhered to other international, sectoral or any other codes of ethical principles or good practices. If so, state the code in question and the date of adherence thereto. In particular, mention whether there has been adherence to the Code of Good Tax Practices of 20 July 2010.

The Group has been a signatory of the Principles of the United Nations Global Compact since 24 July 2008, and it became a partner of the Global Compact in 2011.

This annual corporate governance report was approved by the Company’s Board of Directors at its meeting held on 24 February 2021.

State whether any directors voted against or abstained in connection with the approval of this Report.

Yes

No

Individual or company name of director that did not vote in favour of the approval of this report	Reasons (opposed, abstained, absent)	Explain the reasons

## STATEMENT OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL INFORMATION 2020

The Directors of the Board of Directors of GESTAMP AUTOMOCIÓN, S.A. state that, to the best of their knowledge, the Individual Annual Financial Statements of GESTAMP AUTOMOCIÓN, S.A. and the Consolidated Annual Financial Statements (consolidated annual accounts) of GESTAMP AUTOMOCIÓN, S.A. and its subsidiaries for Fiscal Year 2020, drawn up by the Board of Directors at its meeting of February 24, 2021 and prepared in accordance with applicable accounting standards, present a fair view of the assets, financial condition and results of operations of GESTAMP AUTOMOCIÓN, S.A. and of the companies included in its scope of consolidation, taken as a whole, and that the Individual and Consolidated Management Reports contain a true assessment of the corporate performance and results and the position of GESTAMP AUTOMOCIÓN, S.A. and of the companies included in its scope of consolidation taken as a whole, as well as a description of the principal risks and uncertainties facing them.

Madrid, February 24, 2021.

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Mr. Francisco José Riberas Mera  
*(Executive Chairman)*

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Mr. Francisco López Peña  
*(Director)*

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Mr. Juan María Riberas Mera  
*(Director)*

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Mr. Tomofumi Osaki  
*(Director)*

---

Mr. Norimichi Hatayama  
*(Director)*

---

Mr. Alberto Rodríguez-Fraile Díaz  
*(Director)*

---

Mr. Javier Rodríguez Pellitero  
*(Director)*

---

Mr. Pedro Sainz de Baranda Riva  
*(Director)*

---

Mrs. Ana García Fau  
*(Director)*

---

Mr. César Cernuda Rego  
*(Director)*

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Mr. Gonzalo Urquijo Fernández de Aroz  
*(Director)*

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Mrs. Concepción Rivero Bermejo  
*(Director)*

The Secretary of the Board of Directors states for the record that this document does not include signature of Mr. Tomofumi Osaki, Mr. Norimichi Hatayama, Mr. Javier Rodríguez Pellitero, Mrs. Concepción Rivero Bermejo y Mr. César Cernuda Rego whom were not able to attend the Board of Directors meeting of 24 February 2021 due to the mobility restrictions established as a result of the health crisis caused by COVID-19. Notwithstanding, the referred Directors attended the meeting on line, and vote in favor of all items of the Agenda of the Board of Directors meeting (which includes the approval of the Individual and Consolidated Annual Financial Statements and of the Individual and Consolidated Management Reports for Fiscal Year 2020).

**Secretary**

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**Mr. David Vázquez Pascual**



**SIGN OFF OF ANNUAL ACCOUNTS, MANAGEMENT REPORT AND ANNUAL CORPORATE GOVERNANCE REPORT**

The previous Financial Statements for 2020, from GESTAMP AUTOMOCIÓN, S.A., included in the previous page numbers 1 to 85 , both inclusive, and the Management Report for 2020, included in page numbers 1 to 10 both inclusive of the accompanying Annual Corporate Governance Report included in the preceding pages 1 to 105 have been prepared by the members of the Board of Directors at the meeting held on February 24, 2021.

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Don Francisco José Riberas Mera  
**President**

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Don Juan María Riberas Mera  
**Vicepresident**

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Don Francisco López Peña  
**Vocal**

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Don Tomofumi Osaka  
**Vocal**

---

Don Norimichi Hatayama  
**Vocal**

---

Don Alberto Rodríguez Fraile Díaz  
**Vocal**

---

Don Javier Rodríguez Pellitero  
**Vocal**

---

Don Pedro Sainz de Baranda Riva  
**Vocal**

---

Doña Ana García Fau  
**Vocal**

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Don César Cernuda Rego  
**Vocal**

---

Don Gonzalo Urquijo Fernández de Araoz  
**Vocal**

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Doña Concepción Rivero Bermejo  
**Vocal**

The Secretary of the Board of Directors states for the record that this document does not include signature of Mr. Tomofumi Osaki, Mr. Norimichi Hatayama, Mr. Javier Rodríguez Pellitero, Mrs. Concepción Rivero Bermejo y Mr. César Cernuda Rego whom were not able to attend the Board of Directors meeting of 24 February 2021 due to the mobility restrictions established as a result of the health crisis caused by COVID-19. Notwithstanding, the referred Directors attended the meeting on line, and vote in favor of all items of the Agenda of the Board of Directors meeting. Thus, the approval of the Annual Financial Statements and of the Management Reports for Fiscal Year 2020 has been adopted unanimously.

**Secretary**

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**Mr. David Vázquez Pascual**