

MODEL ANNEX I

**ANNUAL CORPORATE GOVERNANCE REPORT OF
LISTED COMPANIES**

IDENTIFICATION DETAILS OF THE

END OF REPORTING PERIOD 31/12/2017

Tax Identification 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

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

A.2 Provide a breakdown of the direct and indirect holders of significant shareholdings in your company as of the end of the financial year, excluding directors:

Individual or company name of the director company name of the shareholder	Number of direct voting rights	Indirect voting rights		% of total voting rights
		Direct holder of the interest	Number of voting rights	
Acek Desarrollo y Gestión Industrial, S.L.	121,842,522	Gestamp 2020, S.L.	288,332,760	71.27

State the most significant changes in the shareholding structure that have occurred during the financial year:

Individual or company name of shareholder	Date of transaction	Description of transaction

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 the director company name	Number of direct voting rights	Indirect voting rights		% of total voting rights
		Direct holder of the interest	Number of voting rights	

of the director				
Mr. Francisco López Peña	804,885		0	0.14
Mr. Javier Rodríguez Pellitero	11,000		0	0.00
Mr. Alberto Rodríguez-Fraile Díaz	33,458		0	0.01

Total percentage of voting rights held by the board of directors	0.15
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Complete the following tables about members of the board of directors of the company who have rights attached shares of the company:

Individual or company name of director	Number of direct rights	Indirect rights		Number of equivalent shares	% of total voting rights
		Direct holder	Number of voting rights		

A.4 State, if applicable, the family, commercial, contractual, or corporate relationships between significant shareholders, to the extent known to the company, unless they are immaterial or result from the ordinary course of business:

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. (the "Company") and 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

		<p>shareholder or companies belonging to its group, which results from the ordinary course of business undertaken under market conditions.</p> <p>The relationship referred to is described in section D of this Annual Corporate Governance Report.</p>
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A.6 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
Acek Desarrollo y Gestión Industrial, S.L. Mitsui & Co., Ltd Gestamp 2020, S.L.	71.27	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.
Mr. Francisco José Riberas Mera Halekulani S.L. Mr. Juan María Riberas Mera Ion-Ion, S.L. Acek Desarrollo Y Gestión Industrial S.L.	71.27	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 (business group comprising Acek Desarrollo y Gestión Industrial, S.L., and its subsidiaries, which include the Company and Gestamp 2020, S.L.). In particular, the protocol regulates the procedure for deciding the direction of the vote of Acek

		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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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

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.7 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

Individual or company name
Acek Desarrollo y Gestión Industrial, S.L.

Observations
<p>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 Gestamp Automoción, S.A. Furthermore, Acek Desarrollo y Gestión Industrial, S.L., holds a 21.171% direct share in the capital of Gestamp Automoción, S.A. Therefore, Acek Desarrollo y Gestión Industrial, S.L., controls 71.271% of the voting rights of the Company.</p> <p>The Riberas family has control of Acek Desarrollo y Gestión Industrial, S.L., given that it is the indirect holder of the entire social 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).</p>

A.8 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
0	0	0

(*) Through:

Individual or company name of direct holder of the interest	Number of direct shares
Total :	

Explain any significant changes, pursuant to the provisions of Royal Decree 1362/2007, that have occurred during the financial year:

Explain any significant changes

A.9 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.9 bis Estimated free-float:

	change
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Estimated free-float:	28.58
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- A.10 State whether there are any restrictions on the transfer of securities and/or any restrictions on voting rights. In particular, disclose the existence of any restrictions that might hinder a takeover of the company through the acquisition of its shares in the market.

Yes No

As stated in Section A.6 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 transmission regime of the shares of the Company, owned by the shareholders who formalised said agreement. In this regard, this transmission regime could hinder a takeover of the Company through the acquisition of its shares in the market. For further information see the Significant Event of 7 April 2017 (Record No. 250532).

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. In this regard, the procedure for deciding the direction of the vote could hinder a takeover of the Company through the acquisition of its shares in the market. For further information, see the Significant Event of 7 April 2017 (Record No. 250503).

- A.11 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

If applicable, explain the approved measures and the terms on which the restrictions will become ineffective.

- A.12 State whether or not the company has issued securities that are not traded on a regulated market within the European Community.

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).

Similarly, the Company, through the wholly-owned company, Gestamp Funding Luxembourg, S.A., has issued senior notes that are traded on the Luxembourg Stock Exchange's Euro MTF market.

For further information relating to these debt instruments, go to the website of the markets referred to: www.bmerf.es and 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

	Quorum % different from that established in Article 193 of the Companies Act for general circumstances	Quorum % different from that established in Article 194 of the Companies Act for special circumstances
Required quorum upon 1st call		
Required quorum upon 2nd call		

Description of the differences

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.

	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	Other instances in which a qualified majority is required
% established by the entity for the adoption of resolutions		
Describe the differences		

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 prior financial year:

Date of general shareholders' meeting	Attendance data				Total
	% of shareholders present in person	% of shareholders represented by proxy	% absentee voting		
			Electronic voting	Others	
22/03/2017	98.48	1.52	0	0	100
03/03/2017	98.48	1.52	0	0	100
13/12/2016	98.48	1.52	0	0	100
27/06/2016	100	0	0	0	100
10/06/2016	100	0	0	0	100
29/04/2016	100	0	0	0	100
01/02/2016	100	0	0	0	100

B.5 State whether or not there are any by-law restrictions requiring a minimum number of shares to attend the general shareholders' meeting:

Yes No

Number of shares required to attend the general shareholders'	
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B.6 Section eliminated.

B.7 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), 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 Shareholders' Meeting and on the Board of Directors, among other contents, 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 Maximum and minimum number of directors set out in the by-laws:

Maximum number of directors	15
Minimum number of directors	9

C.1.2 Complete the following table identifying the members of the board:

Individual or company name of the director	Representative	Type of director	Position on the board	Date of first appointment	Date of last appointment	Election procedure
Mr. Francisco José Riberas Mera		Executive	Executive Chairman and CEO	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. Juan María Riberas Mera		Proprietary	Vice-President	22/12/1997	24/03/2017	General Shareholders' Meeting Agreement
Mr. Noboru Katsu		Proprietary	Member	23/12/2016	24/03/2017	General Shareholders' Meeting Agreement
Mr. Tomofumi Osaki		Proprietary	Member	23/12/2016	24/03/2017	General Shareholders' Meeting Agreement

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 García Fau		Independent	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement
Mr. César Cernuda Rego		Independent	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement
Mr. Geert Maurice Van Poelvoorde		Other external directors	Member	29/06/2015	24/03/2017	General Shareholders' Meeting Agreement
Mr. Gonzalo Urquijo Fernández de Araoz		Other external directors	Member	24/03/2017	24/03/2017	General Shareholders' Meeting Agreement

Total number of directors	12
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State the vacancies on the board of directors during the reporting period:

Individual or company name of director	Class of director at time of vacancy	Date of vacancy

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
Mr. Francisco José Riberas Mera	Executive Chairman of the Board of

	Directors
Mr. Francisco López Peña	Member of the Board of Directors, Vice-President and CFO

Total number of executive directors	2
Total % of the board	16.67%

EXTERNAL PROPRIETARY DIRECTORS

Individual or company name of director	Individual or company name of the significant shareholder represented by the director or that has proposed the director's appointment
Mr. Juan María Riberas Mera	Acek Desarrollo y Gestión Industrial, S.L.
Mr. Noboru Katsu	Acek Desarrollo y Gestión Industrial, S.L.
Mr. Tomofumi Osaki	Acek Desarrollo y Gestión Industrial, S.L.

Total number of proprietary directors	3
Total % of the board	25%

EXTERNAL INDEPENDENT DIRECTORS

Individual or company name of director	Profile
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>Over the last 30 years he has worked for Asesores y Gestores Financieros, 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 management body of the companies of the A&G Group. He started his professional career as a financial</p>

	consultant at Merrill Lynch.
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 the Consultation Committee of the National Securities Market Commission (CNMV). He started his professional career at the law firm Uría & 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. Furthermore, he is a Director of GDF Energía España.</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&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 member of the following Board of</p>

	<p>Directors: Mecalux, Zardoya Otis and Social Board of Carlos III University of Madrid. In the past, he formed part of the management bodies of certain companies belonging to the Zardoya Otis Group.</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's Degree in Business Administration from the MIT, Sloan School of Management, Massachusetts.</p> <p>She currently forms part of the following Board of Directors: Renovalia, Technicolor, Eutelsat Communications and Merlin Properties, DLA Piper and Globalvia. She started her professional career working at McKinsey & Company for Wolff Olins and Goldman Sach. At TPI- Páginas Amarillas (Telefónica Group) she was Head of Planning, Managing Director of the Corporate Development area and subsequently a Finance Director. 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 Chief Executive of Yell for business in Spain and Latin America for 7 years, and as Global Managing Director of Business Strategy and Development, as well as being a member of its International Management Committee. She was also Manager of the company, Cape Harbour Advisors.</p>
Mr. César Cernuda Rego	<p>He holds a Degree in Business Administration and Marketing from the ESIC University, Business & Marketing School, Madrid. Furthermore, he 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 is currently the Chairman of Microsoft Latin America and Vice-chairman of Microsoft Corporation. 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</p>

	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. He is currently a member of the Board of Directors of the Americas Society/Council of the Americas, as well as of the Trust of the Americas, representing Microsoft.
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Total number of independent directors	5
Total % of the board	41.67%

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
Mr. Geert Maurice Van Poelvoorde	In recent years, he has had a significant business relationship with the Company, Companies of its Group or with companies of the group of its significant shareholder as director and senior manager of an entity that is part of this relationship.	ArcelorMittal, S.A.
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.

Total number of other external directors	2
Total % of the board	16.67%

State the changes, if any, in the class of each director during the period:

Individual or company name of director	Date of change	Former class	Current class

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:

	Number of female directors				% of total directors of each class			
	Year t	Year t-1	Year t-2	Year t-3	Year t	Year t-1	Year t-2	Year t-3
Executive	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Proprietary	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Independent	1	0	0	0	8.33	0	0	0
Other external	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total:	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

C.1.5 Explain any measures adopted, where applicable, to seek to include on the board of directors a number of women that allows for a balanced presence of men and women.

Article 7 of the Regulations of the Board establishes that the Board of Directors shall approve a director selection policy that favours knowledge, experience and gender diversity. Said policy was approved by the Board of Directors, on the proposal of the Nomination and Compensation Committee, in a meeting held on 14 December 2017. It sets out, among other aspects, the following inspirational principles that shall govern the director selection process:

- Equal treatment and transparency: The Board of Directors Selection Policy shall ensure a transparent director selection system that is not implicitly biased, providing the same opportunities to all qualified candidates.
- Diversity. The Board of Directors Selection Policy shall favour experience, knowledge and gender diversity.

Furthermore, the Board of Directors Selection Policy establishes that the Board of Directors shall ensure that the selection procedures of the members of the Board of Directors favour gender, experience and knowledge diversity, and that they entail no implicit biases that could involve any type of discrimination. In this respect, the policy states that the selection 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.

The Company started trading on the market in April 2017 and, in this short period of time, no vacancies have opened up on the Board of Directors and it has not been deemed necessary to increase the number of its members. As such, undertaking a selection process of which the aforementioned measures or new measures that favour a balanced presence of men and women has not been necessary.

- 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:

As set out in Section C.1.5. of the Board of Directors Selection Policy, which was approved, on the proposal of the Nomination and Compensation Committee, by the Company's Board of Directors in a meeting held on 14 December 2017, 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 Knowledge, Skills, Diversity and Experience Guide of the Board of Directors. The guide was approved by the Board of Directors, on the proposal of the Nomination and Compensation Committee, in said meeting and it contains the main criteria that were followed, and that will be followed while no amendments are made, in designing the composition of the current Board of Directors.

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 the grounds, among others, of gender.

Furthermore, pursuant to the provisions under Article 41 of the Regulations of the Board of Directors, the duties of the Nomination and Compensation Committee include informing the Board of Directors on matters of gender diversity, establishing a target of representation for the least represented sex on the Board of Directors and drafting guidelines on how to achieve said target. Given that the Company went public in April 2017, the Committee has had no reason to establish representation target for the least represented sex. However, it has set the objective to undertake this task in the next financial year.

If there are few or no female directors despite any measures adopted, if applicable, describe the reasons why:

Given the short period of time between the admission of the Company to trade its shares and the end of the 2017 financial year, a representation target of the least represented sex has not been set. Furthermore, as from the date in which the management body of the Company was formed, no vacancy has opened up on the Board of Directors that has given rise to the application of the Board of Directors Selection Policy.

- C.1.6.bis Explain the conclusions of the appointments committee regarding

verification of compliance with the director selection policy. In particular, explain how said policy is fostering the goal that the number of female directors represents at least 30% of all members of the board of directors by 2020.

The Board of Directors Selection Policy was approved by the Board of Directors on 14 December 2017. As a year had not elapsed since its approval and no vacancy had opened up that gave rise to its application, the Nomination and Compensation Committee has not had the opportunity to verify compliance with said policy. However, the Nomination and Compensation Committee envisages verifying its compliance during the forthcoming financial years.

C.1.7 Explain the form of representation on the board of shareholders with significant holdings.

As set out in Section C.1.3. of this Annual Corporate Governance Report, the proprietary directors of the Company represent Acek Desarrollo y Gestión Industrial, S.L., a shareholder with 71.271% of the share capital of the Company.

Notwithstanding the foregoing, it is hereby stated that the appointments of Mr. Noboru Katsu and Mr. Tomofumi Osaki were proposed by Mitsui & Co. Ltd., to Acek Desarrollo y Gestión Industrial, S.L., pursuant to the provisions in the agreement between shareholders formalised between Acek Desarrollo y Gestión Industrial, S.L., Mitsui & Co., Ltd., and Gestamp 2020, S.L.

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 if any director has withdrawn from his or her position before the expiration of the director's term of office and if the director has given reasons to the board and by what means, and in the event that the director gave reasons in writing, describe at least the reasons given:

Name of director	Reason for withdrawal

C.1.10 State, if applicable, any powers delegated to the managing director(s):

Individual or company name of director	Brief description
Mr. Francisco José Riberas Mera	In a meeting held on 3 March 2017, the Board of Directors of the Company appointed Mr. Francisco José Riberas Mera as CEO, delegating to him all the powers inherent to the Board of Directors, including executive powers, but excluding powers that could not be delegated by law or under the By-laws.

C.1.11 Identify, if applicable, the members of the board who are directors or officers of 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, AIE	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-President	NO
Mr. Francisco José Riberas Mera.	CP Projects limited	Board Member	YES
Mr. Francisco José Riberas Mera.	Die de Die Development, S.L.	Representative (natural person) of Sole Director (legal person).	YES
Mr. Francisco José	Edscha Automotive	Chairman	YES

Riberas Mera.	Components (Kunshan) Co., Ltd		
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	NO
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 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	YES
Mr. Francisco José	Gestamp Finance	Joint and	YES

Riberas Mera.	Slovakia, S.R.O.	Several Director	
Mr. Francisco José Riberas Mera.	Almussafes Mantenimiento de Troqueles, S.L.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Palau, S.A.	Representative (natural person) of sole director (legal person)	YES
Mr. Francisco José Riberas Mera.	Gestamp Automotive Sanand, Private Limited	Board Member	NO
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	NO
Mr. Francisco José Riberas Mera.	Gestamp Autocomponents Kunshan, Co. Ltd	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Abrera, S.A.	Sole administrator	YES
Mr. Francisco José Riberas Mera.	Gestamp Aguas calientes, S.A. de C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Alabama, LLC	Sole administrator	YES
Mr. Francisco José Riberas Mera.	Gestamp Aragón, S.A.	Sole administrator	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	NO
Mr. Francisco José Riberas Mera.	Gestamp Cerveira, Lda	Board Member	YES
Mr. Francisco José Riberas Mera.	Gestamp Chattanooga, LLC	Sole administrator	YES
Mr. Francisco José Riberas Mera.	Gestamp Esmar, S.A.	Sole administrator	YES
Mr. Francisco José Riberas Mera.	Gestamp Finance Slovakia, s.r.o.	Board Member	YES
Mr. Francisco José Riberas Mera.	Gestamp Galvanizados, S.A.	Representative (natural person)	YES

		person) of sole director (legal person)	
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, Ab	Sole administrator	YES
Mr. Francisco José Riberas Mera.	Gestamp Holding China, Ab	Board Member	YES
Mr. Francisco José Riberas Mera.	Gestamp Holding Rusia, S.L.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Hungária Kft	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Ingeniería Europa Sur, S.L.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Kartek Corp.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Levante, S.A.	Sole Director	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	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Mason, LLC	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Metallbages, S.A.	Sole Director	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.	Sole Director	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	YES

		director (legal person)	
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.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Puebla II, S.A. De C.V.	Chairman	NO
Mr. Francisco José Riberas Mera.	Gestamp Puebla S.A. De C.V.	Chairman	NO
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.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Solblank Navarra, S.L.U	Sole Director	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.	Sole Director	YES
Mr. Francisco José Riberas Mera.	Gestamp Tech, S.L.	Sole Director	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	NO
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)	YES

		person) of Managing Director/Chairman (legal person)	
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	Managing Director/Chairman	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.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Tallent Limited	Managing Director/Chairman	YES
Mr. Francisco José Riberas Mera.	Beyçelik Gestamp Şasi Otomotiv	Vice-President	NO
Mr. Francisco José Riberas Mera.	Gestamp Wrocław 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	Sole Director	YES
Mr. Francisco José Riberas Mera.	Loire, Safe	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.	Vice-President	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	YES

		Managing Director/Chairman (legal person)	
Mr. Francisco José Riberas Mera.	Metalbages Aragón P21, S.L.U.	Sole Director	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 Managing Director/Chairman (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.	Sole Director	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	Chairman	YES

	(Chongqing) Co., Ltd.		
Mr. Francisco José Riberas Mera.	Gestamp Auto Components (Shenyang) Co., Ltd.	Chairman	YES
Mr. Francisco José Riberas Mera.	Gestamp Auto Components (Tianjin) 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	NO
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	Sole administrator	YES
Mr. Francisco López Peña.	Autotech Engineering, Aie	Secretary	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	YES

		Director	
Mr. Francisco López Peña.	Edscha Hradec, S.R.O.	Joint and Several Director	NO
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 Finance Slovakia, S.R.O.	Joint and Several Director	YES
Mr. Francisco López Peña.	Gestamp Automotive Sanand, Private Limited	Board Member	NO
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.	Board Member	NO
Mr. Francisco López Peña.	Gestamp Aguas calientes, S.A. De C.V.	Vice-President	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-President	NO
Mr. Francisco López Peña.	Gestamp Cerveira, Lda	Board Member	NO
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-President	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-President	NO
Mr. Francisco López Peña.	Gestamp North America, Inc.	Board Member	NO
Mr. Francisco López Peña.	Gestamp Puebla II, S.A. De C.V.	Vice-President	NO
Mr. Francisco López Peña.	Gestamp Puebla S.A. De C.V.	Vice-President	NO
Mr. Francisco López Peña.	Gestamp Servicios Laborales De Toluca S.A. De C.V	Vice-President	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-President	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.	Gestamp Umformtechnik GmbH	Joint and Several Director	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-President	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-President	NO
Mr. Francisco López Peña.	Gestamp San Luis	Vice-President	NO

Peña.	Potosí Servicios Laborales, S.A.P.I. De C.V.		
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 Sirketi	Board Member	NO
Mr. Juan María Riberas Mera.	CP Projects Limited	Board Member	YES
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 Cartera De Mexico, S.A. De C.V.	Secretary	NO
Mr. Juan María Riberas Mera.	Gestamp Mexicana De Servicios Laborales, S.A. De C.V.	Secretary	NO
Mr. Juan María Riberas Mera.	Gestamp Puebla II, S.A. De C.V.	Secretary	NO
Mr. Juan María Riberas Mera.	Gestamp Puebla S.A. De C.V.	Secretary	NO
Mr. Juan María Riberas Mera.	Gestamp Servicios Laborales De Toluca S.A. De C.V	Secretary	NO
Mr. Juan María Riberas Mera.	Gestamp Toluca S.A. De C.V.	Secretary	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.	Beyçelik Gestamp Şasi Otomotiv	Board Member	NO
Mr. Juan María Riberas Mera.	Gestamp Mexicana De Servicios Laborales S.A. De C.V.	Secretary	NO
Mr. Juan María Riberas Mera.	Gestamp Mexicana De Servicios Laborales II, S.A. De C.V.	Secretary	NO
Mr. Juan María Riberas Mera.	Todlem, S.L	Secretary	NO
Mr. Juan María Riberas Mera.	Gestamp San Luis Potosí, S.A.P.I. De C.V	Secretary of the Board	NO
Mr. Juan María Riberas Mera.	Gestamp San Luis Potosí Servicios Laborales, S.A.P.I. De C.V.	Secretary of the Board	NO
Mr. Noboru Katsu.	Gestamp Holding	Board Member	NO

	Mexico, S.L		
Mr. Noboru Katsu.	Gestamp Holding Argentina, S.L	Board Member	NO
Mr. Noboru Katsu.	Gestamp North America, Inc.	Board Member	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

C.1.12 Identify, if applicable, the directors of your company who are members of the board of directors of other companies listed on official stock exchanges, other than those of your group, that have been reported to your company:

Individual or company name of director	Name of listed company	Position
Ms. Ana García Fau	Merlin Properties Socimi, S.A.	Director
	Technicolor, S.A.	Director
	Eutelsat Communications, S.A.	Director
Mr. Francisco López Peña	CIE Automotive, S.A.	Director
Mr. Francisco José Riberas Mera	CIE Automotive, S.A.	Director
	Global Dominion Access, S.A.	Director
	Telefónica, S.A.	Director
Mr. Juan María Riberas Mera	CIE Automotive, S.A.	Director
Mr. Pedro Sainz de Baranda Riva	Zardoya Otis, S.A.	Director
Mr. Gonzalo Urquijo Fernández de Araoz	Abengoa, S.A.	Chairman
	Vocento, S.A.	Director
	Atlantica Yield, Plc.	Director

C.1.13 State and, if applicable, explain whether or not the regulations of the board establish rules regarding the maximum number of company boards of which its directors may be members:

Yes No

Pursuant to the provisions under Article 17 of the Regulations of the Board of Directors of the Company, neither natural persons who represent a director that is a legal entity, nor natural or legal persons 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, shall 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.1.14 Section eliminated.

C.1.15 State the overall remuneration of the board of directors:

Remuneration of the board of directors (thousands of euros)	2,370
Amount of pension rights accumulated by the current directors (thousands of euros)	0
Amount of pension rights accumulated by former directors (thousands of euros)	0

C.1.16 Identify the members of the company's senior management who are not executive directors and state the total remuneration accruing to them during the financial year:

Individual or company name	Position/s:
Mr. Unai Agirre Mandaluniz	General Manager of the North Europe Division
Mr. Fernando Macias Mendizabal	General Manager of South Europe Division
Mr. Manuel López Grandela	General Manager of Mercosur Division
Mr. Juan Miguel Barrenechea Izarzugaza	General Manager of Technology, Tooling and Equipment Division, and General Manager of North America Division (see the explanatory note included in section H)
Ms. María José Armendariz Tellitu	General Manager of Chassis Division
Mr. Kevin Stobbs	General Manager of the Asia Division (see the explanatory note included in section H)
Mr. Torsten Greiner	General Manager of the Business Mechanism Unite (Edscha)
Mr. Manuel de la Flor Riberas	Corporate Manager of Human Resources
Mr. David Vázquez Pascual	Legal General Manager

Total senior management remuneration (in thousands of euros)	9,633
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C.1.17 State, if applicable, the identity of the members of the board who are also members of the board of directors of significant shareholder companies and/or in entities of their group:

Individual or company name of director	Company name of the significant shareholder	Position
Mr. Francisco José Riberas Mera	Acek Desarrollo y Gestión Industrial, S.L.	Joint Director
Mr. Juan María Riberas Mera	Acek Desarrollo y Gestión Industrial, S.L.	Joint Director

Mr. Francisco López Peña	Acek Desarrollo y Gestión Industrial, S.L.	Director
Mr. Noboru Katsu	Acek Desarrollo y Gestión Industrial, S.L.	Director
Mr. Tomofumi Osaki	Acek Desarrollo y Gestión Industrial, S.L.	Director

Describe, if applicable, any significant relationships, other than the ones stated above, of the members of the board of directors connecting them to significant shareholders and/or companies within their group:

Individual or company name of connected director	Individual or company name of connected significant shareholder	Description of relationship
Mr. Francisco José Riberas Mera	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.
Mr. Juan María Riberas Mera	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.

C.1.18 State whether or not the regulations of the board have been amended during the financial year:

Yes No

Description of amendments

C.1.19 State the procedures for the selection, appointment, re-election, assessment, and removal of directors. Describe the competent bodies, procedures to be followed and the criteria to apply 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 Knowledge, Skills, Diversity and Experience Guide of the Board of Directors. The analysis will be undertaken by the Board of Directors, with advice from the Nomination and Compensation 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 cooption.

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 cooption.

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.

Assessment

Article 36 of the Regulations of the Board of Directors of the Company establishes that the Board shall devote the first of its annual meetings to evaluating its own functioning in the previous year, assessing the quality of its work, evaluating the effectiveness of its rules 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.

Furthermore, Article 41 of the Regulations of the board of Directors of the Company, which governs the functions of the Nomination and Compensation Committee, establishes, in section h) that it shall be in charge of organising and coordinating the periodic assessment of the Chairman of the Board of Directors, as well as the periodic assessment of the Board of Directors, its Committees and of the Chief Executive of the Company.

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. Without prejudice to the publication of the resignation as a relevant fact, the reason for it shall be provided in this Report. 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.1.20 Explain the extent to which the self-assessment of the board has given rise to significant changes in its internal organisation and regarding the procedures applicable to its activities:

Pursuant to Article 36 of the Board Regulations, the Board shall devote the first of its annual meetings to evaluating its own functioning in the previous year, assessing the quality of its work, evaluating the effectiveness of its rules 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.

However, given that in the first meeting of the 2017 financial year it was yet to be a limited listed company, the Company did not have the opportunity to conduct the abovementioned assessments in 2017.

C.1.20 bis Describe the process of self-assessment and the areas assessed by the board of directors, as it may be assisted by an external consultant, regarding diversity in its composition and powers, the operation and composition of its committees, the performance of the chairman of the board and chief executive officer, and the performance and contribution of each director.

This section is not applicable as the Board of Directors did not undertake the assessments referred to in the foregoing section due to the reasons also set out therein.

C.1.20 ter List, if applicable, any business relationships of the consultant or any company of its group with the company or any company of its group.

This section is not applicable as the Board of Directors did not undertake the assessments referred to in Section C.1.20 due to the reasons also set out therein.

C.1.21 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 shall relinquish their position in the following events:

- when the post, position or duties to which their appointments as executive directors were associated come to an end;
- in the case of proprietary directors, when the shareholders they represent dispose of their ownership interest in its entirety, or they do so in the number that would correspond in the event that said shareholders reduce their ownership interest in the Company;
- in the case of independent directors, when an event unexpectedly arises that prevents them, pursuant to the law, from continuing in their positions;
- when they are subject to any legally established incompatibility or prohibition;
- when the Board requests it with a member majority of at least two-thirds:
 - when, having breached their obligations as directors, they are seriously reprimanded by the Board, prior proposal or report of the Nomination and Compensation Committee; or
 - when their continuance on the Board puts the interests of the Company at risk;
- when their continuance on the Board puts the interests of the

Company at risk.

- 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, indicted or tried in criminal proceedings for any offence and it is as such acknowledged by the Board of Directors, prior report of the Nomination and Compensation Committee, according to the social interest.

C.1.22 Section eliminated.

C.1.23 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.1.24 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

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.1.25 State whether or not the chair has a tie-breaking vote:

Yes

No

Pursuant to the provisions under Article 36 of the Regulations of the Board of Directors, in the event of a tie break in the voting of any matter on the agenda of the Board of Directors' meetings, the Chairman shall have the casting vote.

C.1.26 State whether or not the by-laws or the regulations of the board set forth any age limit for directors:

Yes No

Age limit for the Chairman

Age limit for the CEO Age limit for directors

C.1.27 State whether or not the by-laws or the regulations of the Board establish any limit on the term of office for independent directors that is different than the term provided for by regulatory provisions:

Yes No

Maximum number of terms	8
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C.1.28 State whether or not the by-laws or the regulations of the Board establish any specific rules for proxy-voting 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 the provisions under Article 36 of the Regulations of the Board of Directors, in the event that the directors cannot attend sessions of Board of Directors in person, they may delegate their vote to another director, together with the instructions deemed appropriate.

In this respect, such representation shall be specially granted for each session through any of the means envisaged for the calling of meetings of the Board of Directors and the Chairman shall decide, where doubt exists, on the validity of the proxies granted by directors who do not attend the session.

Finally, non-executive directors shall only delegate their representation to another non-executive director.

C.1.29 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.

Number of meetings of the board	8
Number of meetings of the board at which the Chairman was not in attendance	0

If the Chairman is an executive director, state the number of meetings held without his or her presence in person or by proxy of any executive director and chaired by the coordinating director

Number of meetings	0
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State the number of meetings held by the different committees of the board

of directors during the financial year:

Number of meetings of the Executive or delegated Committee	N/A
Number of meetings of the Audit Committee	7
Number of meetings of the Nomination and Compensation Committee	4
Number of meetings of the Appointments Committee	N/A
Number of meetings of the Remuneration Committee	N/A
Number of meetings of the Committee	N/A

C.1.30 State the number of meetings that the board of directors has held during the financial year with the attendance of all of its members. Proxies granted with specific instructions shall be counted as attendance:

Number of meetings attended by all of the directors	5
% in attendance of total votes during the financial year	96.87%

C.1.31 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, if applicable, the person/persons that has/have certified the annual individual and consolidated accounts of the company for preparation by the board:

Name	Position

C.1.32 Explain the mechanisms, if any, adopted by the board of directors to avoid any qualifications in the audit report on the annual individual and consolidated accounts 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, the Audit Committee has to hold meetings with the external auditor without the presence of the finance department to ensure the auditing process of the individual and consolidated financial statements is correctly undertaken.

C.1.33 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

C.1.34 Section eliminated.

C.1.35 State the specific mechanisms, if any, established by the company to preserve the independence of external auditors, financial analysts, investment banks, and of rating agencies.

Gestamp has established diverse mechanisms aimed at preserving the necessary independence as regards the auditing of the financial statements. 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 Regulation of the Board of Directors of Gestamp 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.

As regards the mechanisms established to preserve the independence of financial analysts, investment banks, and rating agencies, Articles 13 and 14 of the Regulations of the Board of Directors of Gestamp govern relationships with shareholders and markets, respectively.

Furthermore, Gestamp has established an area of Investor Relations through which consultations with and recommendations from analysts and investors, rating agencies, bondholders, as well as those relating to socially responsible investors (SRI). are undertaken. A telephone number and email address have been set up for such purpose.

C.1.36 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

If there has been any disagreement with the outgoing auditor, provide an

explanation:

Yes No

Description of the disagreement

C.1.37 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 Name	Group	Total
Amount of other non-audit work (thousands of euros)	0	712	712
Amount of non-audit work / Aggregate amount invoiced by the audit firm (%)	0	13.41%	13.41%

C.1.38 State whether the audit report on the financial statements for the prior financial year has observations or qualifications. If so, state the reasons given by the Chairman of the audit committee to explain the content and scope of such observations or qualifications.

Yes No

Explanation of reasons

C.1.39 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:

	Company Name	Group
Number of continuous financial years	19	16

	Company Name	Group
Number of years audited by the current audit firm / Number of years in which the company has been audited (%)	95%	100%

C.1.40 State whether or not there is any procedure for directors to hire external advisory services, and if so, describe it:

Yes No

Article 28 of the Regulations of the Board of Directors grants all directors the power to request the services, paid for by the Company, of legal or accounting-financial advisors or any other expert for the purpose of assisting them in undertaking their duties, provided the assignment entails matters of certain importance or complexity.

For that purpose, the directors shall send their request to the Secretary of the Board, who shall subject it to the prior authorisation of the Board of Directors, which may grant it if it is deemed: necessary for the undertaking of the duties of the directors; and that the specialist assistance requested cannot be undertaken by internal advisors.

- C.1.41 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

As set out in Article 36 of the Regulations of the Board of Directors, the calling of ordinary sessions of the Board of Directors shall be undertaken at least five (5) days 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.

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 this respect, pursuant to the provisions under Articles 30 and 40 of the Regulations of the Board of Directors, the person in charge of channelling the flow of information is the Chairman of the Board of Directors, in collaboration with the secretary. As such, they shall ensure that the directors receive in good time all of the information necessary to deliberate on the points on the agenda of the meetings of the Board of Directors.

Without prejudice to the foregoing provisions relating to the preparation of the sessions of the Board of Directors, Article 27 of the Regulations of the Board of Directors grants directors the power to study the documentation deemed necessary, contact the persons in charge of the departments affected and to 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.1.42 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

Explain the rules

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 reputation of the Company. In particular, all directors shall inform the Company if the they are being investigated, indicted or tried in criminal proceedings for any offence and if any significant events relating to said proceedings occur.

Furthermore, Article 20 of the Regulation of the Board of Directors establishes the obligation of directors to relinquish their position and to formalise, if applicable, the corresponding resignation, 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, indicted or tried in criminal proceedings for any offence and it is as such acknowledged by the Board of Directors, prior report of the Nomination and Compensation Committee, according to the social interest.

C.1.43 State whether or not any director of the Board of Directors has notified the company that he or she has been indicted or tried in proceedings for any of the offences provided for under Article 213 of the Companies Act:

Yes No

Name of director	Criminal case	Observations

State whether or not the board of directors has analysed the case. If so, provide a duly substantiated explanation of the decision adopted regarding whether or not the director should remain in office or, if applicable, describe the actions taken by the board of directors up to the date of this report or that it plans to take.

Yes No

Decision made / action taken	Duly substantiated
-------------------------------------	---------------------------

	explanation

C.1.44 Describe the significant agreements entered into by the company that go into effect, are amended, or terminate in the event of a change in control at the company as a result of a takeover bid, and effects thereof.

No significant agreements have been made or entered into by the company that go into effect, are amended or terminate in the event of a change in the control of the Company as a result of a takeover bid.

C.1.45 Identify on an aggregate basis and provide a detailed description of the agreements between the company and its management level and decision-making positions or employees that provide for indemnities, 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: 4

Type of beneficiary:

Senior Management

Description of agreement:

Firstly, one member of the Senior Management is the beneficiary of a 12-month notice period in the event 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.

Secondly, one member of the Senior Management is the beneficiary of a gross severance equivalent to 12 months 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.

Additionally, two members of the Senior Management are the beneficiaries of a 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.

State whether or not such agreements have to be reported to and/or approved by the decision-making bodies of the company or its group:

	Board of directors	General Shareholders' Meeting
Decision-making body approving the provisions	Yes	No

	Y E S	NO
Is the General Shareholders' Meeting informed of such provisions?		x

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 OR DELEGATE COMMITTEE

Name	Position	Category

% of Executive Directors	
% of Proprietary Directors	
% of Independent Directors	
% of other External Directors	

Explain the duties assigned to this committee, describe the procedures and rules of organisation and functioning thereof, and summarise its most significant activities throughout the year.

--

State whether or not the composition of the executive or delegate committee reflects the participation of the different directors within the board based on their class:

Yes No

If no, explain the composition of your executive or delegate committee

AUDIT COMMITTEE

Name	Position	Category
Mr. Javier Rodríguez Pellitero	Chairman	Independent
Mr. Juan María Riberas Mera	Member	Proprietary
Ms. Ana García Fau	Member	Independent

% of Proprietary Directors	33.33%
% of Independent Directors	66.67%
% of other External Directors	

Explain the duties assigned to this committee, describe the procedures and rules of organisation and functioning thereof, and summarise its most significant activities throughout the year.

The procedures and rules of organisation and functioning of the Audit

Committee are outlined in Article 39 of the Regulations of the Board of Directors. Furthermore, Article 40 of the Regulations of the Board of Directors, regulates the duties of the Audit Committee. For further information, see note included in Section H.

In relation to the activities carried out by the Audit Committee in financial year 2017, an activity report was drawn up 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 there is a General Shareholders' Meeting held. The activities undertaken by the Committee in the 2017 financial year include, among others, the revision of the financial information of the Company, as well as the approval of the Parent Company within the scope of the Internal Financial Reporting Control System (SCIIF in Spanish), the proposal –for its approval by the Board of Directors– of the Comprehensive Risk Management System Policy, the creation of the Company's Internal Audit Function, the approval of the Internal Audit Plan and the budget for the 2018 financial year and the review of the Risk Map.

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Identify the director who is a member of the audit committee and who has been appointed taking into account the director's knowledge and experience in the areas of accounting, auditing, or both, and report the number of years that the Chairman of this committee has held office.

Name of director with experience	Ms. Ana García Fau
Number of years the Chairman has held the position	0

NOMINATION AND COMPENSATION COMMITTEE

Name	Position	Category
Mr. Alberto Rodríguez Fraile Díaz	Chairman	Independent
Mr. Noboru Katsu	Member	Proprietary
Mr. Gonzalo Urquijo Fernández de Araoz	Member	Other external directors
Mr. Pedro Sainz de Baranda	Member	Independent

% of Proprietary Directors	25%
% of Independent Directors	50%
% of other External Directors	25%

Explain the duties assigned to this committee, describe the procedures and rules of organisation and functioning thereof, and summarise its most significant activities throughout the year.

The procedures and rules of organisation and functioning of the Nomination and Compensation Committee are outlined in article 39 of the Regulations of the Board of Directors. Meanwhile, article 41 of the Regulations of the Board of Directors, regulates the responsibilities 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 in financial year 2017, an activity report was drawn up 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 there is a General Shareholders' Meeting held. Among other information, the activities report for the 2017 financial year includes the proposal, for approval by the Board of Directors, of the Board of Directors Selection Policy and the Knowledge, Skills, Diversity and Experience Guide of the Board of Directors; or the proposal to appoint Mr. Alberto Rodríguez-Fraile Díaz as Coordinating Director of the Company.

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APPOINTMENTS COMMITTEE

Name	Position	Category

% of Proprietary Directors	
% of Independent Directors	
% of other External Directors	

Explain the duties assigned to this committee, describe the procedures and rules of organisation and functioning thereof, and summarise its most significant activities throughout the year.

--

REMUNERATION COMMITTEE

Name	Position	Category

% of Proprietary Directors	
% of Independent Directors	

% of other External Directors	
--------------------------------------	--

Explain the duties assigned to this committee, describe the procedures and rules of organisation and functioning thereof, and summarise its most significant activities throughout the year.

--

COMMITTEE _____

Name	Position	Category

% of Executive Directors	
% of Proprietary Directors	
% of Independent Directors	
% of other External Directors	

Explain the duties assigned to this committee, describe the procedures and rules of organisation and functioning thereof, and summarise its most significant activities throughout the year.

--

C.2.2 Complete the following table with information on the number of female directors in 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	%
Executive Committee	0		0		0		0	
Audit Committee	1	(33.33%)	N/A		N/A		N/A	
Nomination and Compensation Committee	0	(0%)	N/A		N/A		N/A	
appointments committee	0		0		0		0	
remuneration	0		0		0		0	

committee				
committee ____	0	0	0	0

C.2.3 Section eliminated.

C.2.4 Section eliminated.

C.2.5 State, if applicable, the existence of regulations of the board committees, where such regulations can be consulted, and the amendments made during the financial year. Also state in any annual report of the activities performed by each committee has been voluntarily prepared.

The Regulations of the Board of Directors thoroughly regulates the rules of composition and functioning, as well as the responsibilities of the Audit Committee and the Nomination and Compensation Committee, in accordance with the applicable legislation in force and the good governance practices of listed companies.

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.

Given that the Regulations of the Board of Directors have been approved recently, including all of the requirements laid down by the legislation in force and the Recommendations of Good Governance (excluding that outlined in section G of this report), so far there has been no need to amend its text.

The current Regulations of the Board of Directors may be consulted on the company's website (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.

C.2.6 Section eliminated.

D RELATED-PARTY TRANSACTIONS AND INTRAGROUP TRANSACTIONS

D.1 Explain, where applicable, the procedure for approving related-party and intragroup transactions.

Procedure for communicating the approval of related-parted transactions

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.

Likewise, on 21 March 2017, Acek Desarrollo y Gestión Industrial, S.L., Gonvarri Corporación Financiera, S.L. (company in which Acek Desarrollo y Gestión Industrial, S.L. has a 65% stake in the share capital) 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 between the Company, its subsidiaries, and its related parties, particularly the group of companies led by parent company Acek Desarrollo y Gestión Industrial, S.L., as well as the group of companies led by parent company Gonvarri Corporación Financiera, 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 ter 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	Reception of services	4,890
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gomvarri, S.L.	Contractual	Purchase of goods finished or unfinished	1,127,844
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Sale of goods finished or unfinished	43,097
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Holding Gonvarri, S.L.	Contractual	Reception of services	17,398
Acek Desarrollo y Gestión Industrial, S.L.	Grupo Sideacero, S.L.	Contractual	Sale of goods finished or unfinished	189,269
Acek Desarrollo y Gestión Industrial, S.L.	Inmobiliaria Acek, S.L.	Contractual	Reception of services	2,043
Acek Desarrollo y Gestión Industrial, S.L.	Air Executive, S.L.	Contractual	Reception of services	1,275
Acek Desarrollo	Acek Desarrollo	Contractual	Accrued	1,244

y Gestión Industrial, S.L.	y Gestión Industrial, S.L.		interests and not paid	
Acek Desarrollo y Gestión Industrial, S.L.	JSC Karelsky Okatysh	Contractual	Accrued interests and not paid	1,673

- 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: loan	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 made 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 State the amount of transactions made with other related parties.
- 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, officers, 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.

Furthermore, Articles 24, 25 and 26 of the Regulations the Board of Directors govern the duties of the directors as regards 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.

D.7 Is more than one company of the group listed in Spain?

Yes

No

Identify the subsidiaries listed in Spain:

Listed subsidiaries

State whether they have publicly and accurately defined their respective areas of activity and any business dealings between them, as well as between the listed subsidiary and other group companies.

Yes

No

Describe the possible business relationships between the parent company and the listed subsidiary, and between the subsidiary and the other companies within the group

Identify the mechanisms established to resolve possible conflicts of interest between the listed subsidiary and the other companies with the group:

Mechanisms to resolve possible conflicts of interests

E RISK CONTROL AND MANAGEMENT SYSTEMS

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, 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 set targets,

In this regard, the Group has a Comprehensive Risk Management System (SIGR in Spanish) that identifies, monitors and responds to the different types of financial and non-financial risks to which it is exposed, including within the category of financial or economic risks, those related to tax, contingent liabilities and other off-balance 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 Group targets, providing shareholders, other stakeholders and the general market with an adequate level of guarantee that protects generated value.

This SIGR, which the Group continued to develop and evolve in 2017, is based on the COSO ERM model (a systematic and detailed approach that helps identify occurrences, evaluate, prioritise and respond to risks related to achieving business objectives), in the good practices referred to in the Code of Good of Good Governance for Listed Companies in the Technical Guide 3/2017 on Audit Committees of Public

Interest Entities.

In order to facilitate and promote effective, integral and uniform management, the Group has defined 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 and 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.

The Group continuously tracks and monitors its most significant risks. For this purpose, it uses a 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 avoiding or, in the event of occurrence, minimising them. During the 2017 financial year, the Group updated its Corporate Risk Map 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, informed manner.



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.

Although the Comprehensive Risk Management System is a process that affects and involves all the Group’s personnel, those entrusted with safeguarding its smooth running and its functions are the following:

- The Board of Directors.

It is responsible for approving the SIGR Policy and the levels of risk appetite, 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.

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 are aligned with the established risk appetite.

- 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.

It holds the following basic responsibilities linked to the SIGR: to support the Audit Committee; coordinate risk identification and assessment processes by preparing and updating Risk Maps; and coordination with the Risk Committees and with the specific risk officers in charge of the risk measurement processes, controls, action plans and the necessary procedures to mitigate them.

Within the organisational structure, it 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 Point out the key risks, including those of a tax nature, that could affect the achievement of business goals.

The Group defines a risk as any internal or external contingency that if materialised, would prevent or hinder the achievement of targets set by the organisation; to this end, it believes that a risk arises as a result of lost opportunities and/or strengths, as well as due to the emergence of a threat and/or reinforced weakness.

In this regard, the organisation is exposed to various risks inherent to different countries and markets in which it operates, which could stand in the way of it achieving its targets and successfully implementing its strategies. The Group has an SIGR and Risk Map, updated in 2017, which is used as a management tool to help the organisation identify and contextualise the risks that could have an adverse effect on corporate targets, and promotes and facilitates decision-making regarding actions required for mitigation.

Executive directors, representatives from all Divisions, Business Units and Corporate Departments within the Group took part in the process to identify and assess the risks that affect the entire Group. This process 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.
 - Occupational health and safety risk, in view of the characteristics of activities performed in our plants.
 - Cessation of client activity due to various internal or external factors including:
 - Supply problems of our suppliers.
 - Internal business conflicts.
 - Prolonged breakdown of machinery, tools or plants.
 - Technological risks: we work on the strength of the Security,

protecting the assets and systems of the Company from potential cyber-attacks.

- Serious accidents.
 - Other sudden factors (meteorological disasters, earthquakes, floods, etc.).
 - Incidents linked to the quality of our products, with potential repercussions on cost and reputation.
 - Difficulties in hiring or replacing 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.
 - 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.
- 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:
- Variances in the profitability of projects that could potentially occur during the launch of new projects as well as during the last phase of production.
 - Political and economic instability in the different countries where the Group operates.
- 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.
- This category also includes those derived from potential legislative and regulatory changes, and the organisation's capacity to anticipate and ability to react such.
- Financial Risks. These include 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.
 - Fluctuating interest rates.
 - Fluctuation of the price of raw materials, which may represent a significant part of the cost of our product.

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E.4 Identify whether the entity has a risk tolerance level, including one for tax risk.

Risk is an inherent feature of any business and opportunity that can be reduced, but

never fully eliminated: eliminating the risk also excludes the opportunity to generate value. 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 and developed in the SIGR Policy, approved by the Company's Board of Directors. The basic aim is to ensure that all risks that jeopardise compliance with the Group's strategies and targets are kept at a low-acceptable risk level.

The risk assessment scales (probability and impact) are updated at least once a year in order to adapt to the strategy and the changes within our business. These assessment scales cover the different strands of risk impact (financial, operational, regulatory framework and reputation) and entail suitable levels that allow for a standardised risk assessment. These scales are the basis for defining the Group's risk tolerance level.

E.5 State what risks, including tax risks, have materialised during the financial year.

The SIGR, along with the policies and risk control and management systems it develops, takes effective and anticipatory action on the risks inherent to the Group's activity materialised and draws up the relevant action plans.

E.6 Explain the plans for responding to and supervising the entity's main risks, including those of a tax nature.

The Group has defined an SIGR that entails organisation, procedures and resources, making it possible to identify, measure, assess, prioritise, and respond to risks to which the organisation is exposed. In this regard, two risk response levels can be determined: global mechanisms that respond to corporate risk management and other individual mechanisms that respond to each specific risk.

The global response mechanisms are defined and detailed in the SIGR Policy and, as stated in point E.2 of this section, are (brief outline):

- The Specific Risk Officers are responsible for identifying and monitoring the risks that jeopardise compliance with their aims.
- The Risk Committees, which ensure that the risks remain aligned with the established level of risk appetite, and report to the Audit Committee.
- The Board of Directors and Audit Committee in approving, monitoring and following up on the SIGR.
- The Internal Audit and Risk Management Department, which supports the Audit Commission and coordinates the risk identification and assessment processes, as well as the Risk Committees.

In terms of individual risk, the response plans are in line with the characteristics of each specific risk. The Group has individual control, management and monitoring

mechanisms implemented at operational level, which work continuously throughout the day, are carried out by each and every member within the organisation, are integrated within the company's systems and processes, and make sure that operational activities carried out are ultimately aligned with the Group's aims and targets.

The Group currently has various units or departments that analyse, continuously monitor and provide response in various areas specialised in risk management, including: Internal control over financial reporting; Regulatory compliance; Corporate social responsibility; Quality; Operational control; Corporate security; Reporting systems risks; Occupational and environmental risk prevention, Tax risks and Insurance. These units and departments are integrated into the Group's SIGR.



F INTERNAL RISK CONTROL AND MANAGEMENT SYSTEMS IN CONNECTION WITH THE PROCESS OF ISSUING FINANCIAL INFORMATION (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). The Regulations governing Gestamp's Board of Directors, approved on 3 March 2017, 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."

In addition, the Company has developed a Policy regarding the Internal Control over Financial Reporting System, 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);

The ICFRS Policy, formally approved by the Board of Directors of Gestamp on 3 March 2017, sets forth that the Group's Financial Management (through the Internal Control Function) is responsible for the design, implementation and operation of the ICFRS, promoting the importance of internal control.

Finally, 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, so that the main risks can be adequately identified, managed and reported”. To do so, the Audit Committee relies on the Internal Audit Function which, in accordance with the Charter approved by the Audit Committee on 13 November 2017 and, in accordance with its annual audit plan approved by said Committee, must provide support in order to oversee the effectiveness of the ICFRS.

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 Department, alongside the Group's Organisation Department and the President are the bodies in charge of defining and modifying the organisational structure of the Group at a high level. 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. This corporate tool is currently being used in all countries where the Group actively operates, with the exception of France, which is currently in the implementation phase.

Any change in said structures is reflected in organisation charts published on the Gestamp intranet. These organisation charts graphically represent the relationships between the different Group departments.

For each role defined in the organisational chart, the corporate Human Resources 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 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.

- 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 a Code of Conduct approved by the Chairman of Gestamp on 1 December 2011 and ratified by the Board of Directors on 22 January 2014.

The Code of Conduct sets out the standards of ethical conduct that the Group demands from all of its employees and it is available on the Group's website, where any user can download it.

After its launch, the Group presented the Code of Conduct to the Group employees, who were also asked to confirm receipt of the Code of Conduct online. At present, the Code of Conduct is included in the induction plan given to every new employee and adherence thereto is requested.

Regarding training, all Group employees must have carried out, at least once, the

introduction course on the Code of Conduct, which may be taken in one of the following ways:

- Online training (through the Gestamp 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, the managers of the Human Resources Department identify whether it is necessary to implement a plan of action in relation to the Code of Conduct.

With regards to financial reporting, the Code includes a section on "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 Gestamp. Therefore:

- Employees must not falsify any kind of information, whether financial or any other kind.
- Employees must not deliberately enter any false or misleading data into any report, record, file or expenses claims.
- Employees must not accept contractual obligations on behalf of Gestamp that exceed the authority the company has given them.
- Employees must fully cooperate with auditors, ensuring the accuracy of the information provided.
- 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 body in charge of reviewing breaches of the Code of Conduct and of proposing corrective actions and penalties is the Ethics Committee.

The Group has two channels of communication for employee complaints and accusations.

On the one hand, there is the usual channel with the Human Resource managers by means of which employees can present their complaints and accusations. Each month,

the Human Resource managers inform the person in charge of managing complaints at corporate level of the complaints among staff (Compliance Office). This person is part of the Group's Human Resources Department.

On the other hand, there is a reporting channel for complaints which can be used by Group staff, as well as by third parties, such as clients or suppliers, which offers increased confidentiality for the whistle-blower, distinguishing between:

- Internal channel: email address to a generic inbox that goes directly to the person in charge of managing complaints at corporate level (Compliance Office).
- External channel: a complaints channel has been available since December 2016 which is managed by an external company (SpeakUp Line), thus increasing the whistle-blower's trust and confidence with regards to confidentiality. Communication may take place via telephone, web form or email. It is available in 24/7 in over 200 languages. Communications are sent to the Compliance Office.

Both channels are available both on the Gestamp intranet and on the website.

The Group has an Ethics Committee that will ultimately study the complaints and claims received. The operation and regulation of said committee is contained in the Ethics Committee Regulations. Said Committee is made up of senior executives and an external advisor, holding ordinary biannual meetings which are documented in the minutes. The Ethics Committee Regulations set forth that said Committee directly reports to the Board of Directors.

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.

In 2017, 121 reports were received, 117 of which were complaints regarding potential breaches and 4 were queries and suggestions. 19 complaints were received through the Representatives, 41 directly through the Compliance Office by email and 57 through Speak Up 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 Training and Development Department pertaining to the Group's Human Resources Department draws up a training plan, together with each area including those that are part of the Finance Department. This plan includes the different external and internal training activities aimed at both members of the areas within the Group's Finance Department and also managers of the finance areas in each of the Group's countries and organisational units.

This plan covers both training activities in a business context and also specific programmes.

- Business context training

Aimed at gaining further internal knowledge on each business activity and also on the different departments, with their respective activities, roles and responsibilities within the Group.

These activities include the corporate induction plan, training programmes

relating to Gestamp clients, products and technology, and training activities regarding the Group's internal processes and management systems.

– Specific training

The Gestamp personnel involved in the processes related to drawing up the financial reports take part in training and update programmes on regulatory developments regarding the preparation and oversight of financial reporting, and also regarding the system implemented for internal control over financial reporting.

Furthermore, the Group's Economic-Finance Department implements specific training activities aimed at personnel in finance areas and other related areas of the Group in order to communicate, train or update any subject areas which, from an accounting and financial perspective, are relevant for preparing the financial reports.

Moreover, in a complementary manner, specific courses are provided by internal and external personnel on operation and functioning of the financial IT applications used for drawing up financial reports.

In February 2017, under the supervision of the Group's Finance Director and with the active participation of Group experts in the field of finance, internal control and risk management, the Gestamp Corporate University, belonging to the Human Resources Department, created the Financial Academy, the aim of which is to guarantee that all members of Gestamp know and understand the financial implications of their work, organising the Group's economic, financial and internal control knowledge under one training category and rolling out training sessions adapted to the degree of responsibility that each member of Gestamp has regarding the preparation and review of financial information.

To this end, in financial year 2017, work commenced with regards to establishing the training paths for four major areas of knowledge:

- Short-term finances.
- Management Control.
- Project analysis.
- ICFRS and Internal Control.

Therefore, in financial year 2017, there was a total of 5,567 hours of specific training and 232 training events given in which approximately 600 employees took part from the 21 countries where Gestamp operates. These training activities consist of regular training and update programmes for personnel involved in the preparation and oversight process with regards to financial reporting, and also in the evaluation of the ICFRS, covering accounting standards, auditing, internal control, and risk management, among other areas of knowledge.

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 regards to the reliability of the regulated financial information.

The Group has a Policy regarding the Internal Control over the Financial Reporting System, approved by the Board of Directors on 3 March 2017 which includes, among other aspects, the general description of the system 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, by defining the scope matrix of the ICFRS.

- 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.

The Group identified the financial reporting risks by analysing the information contained in the Group's audited consolidated financial statements at 31 December 2016, selecting the most relevant accounts and significant disclosures according to quantitative criteria.

For each of these accounts and significant disclosures, their associated critical processes and subprocesses have been established and the risks that could lead to errors and/or fraud in financial reporting have been identified, covering all of the financial reporting objectives (existence and occurrence; integrity; assessment; presentation and breakdown; and rights and obligations).

As a result of this evaluation, the Group has prepared a scope matrix for the ICFRS, which was approved by the Audit Committee on 24 July 2017. This scope matrix for the ICFRS, which will be updated on an annual basis, after the Consolidated Financial Statements have been prepared aims to identify the accounts and disclosures that have significant risks associated and which have a potential material impact on financial reporting.

- 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 regards to the scope of consolidation, the Chairman, the CEO, the Group's Legal Director and the Economic-Finance Director hold meetings as the Finance and Tax Committee, where they deal with topics relating to, among others, purchases or withdrawals of companies in which they have interests, as well as possible changes to be made regarding said interests. In the same way, in the event that the company is to be incorporated from the outset, this decision is also reviewed by this Committee.

The information for the incorporation of new companies or the modification of the state of those in existence is initially gathered by the Group's Legal Department, which is in charge of preparing the legal documentation required regarding the incorporation and updating of information on the scope.

Based on the information received by the Finance and Tax Committee, the Function charged with Consolidation in the Group's Economic-Finance Department updates the scope of consolidation on the consolidation application used by the Group. Furthermore, on a quarterly basis, this information is compared with that contained in the consolidation reporting package that each of the Group companies sends to carry out the Group's quarterly consolidation.

- Whether 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.

Gestamp's Board of Directors approved the Comprehensive Risk Management System Policy on 14 December 2017, the purpose of which is to establish the basic principles, guidelines and the general framework for action to ensure that the 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 Gestamp.

Gestamp's Comprehensive Risk Management System Policy is inspired by the following reference frameworks:

- The COSO ERM model, risk management methodology 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, which contains five risk categories: strategic, operational, reporting, compliance and financial, is applicable for 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.

- What governance body of the entity supervises the process.

Responsibility for the oversight of the effectiveness of the ICFRS and the Comprehensive Risk Management System lie with the Audit Committee through the Internal Audit Function, according to what is set forth in Article 40 of the Regulations governing Gestamp's Board of Directors.

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 Chairman and Vice-Chairman (and Corporate Finance Director), who shall then proceed to approve them. The annual review and authorisation procedure will conclude with them being submitted to the Audit Committee by the Corporate Finance Director and to the Board of Directors for approval.

In financial year 2017 and, in accordance with the scope matrix of the ICFRS, the Group's Finance Department, (through the Internal Control Function, has started to define the risk and control matrix and to document the processes 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, etc.), specifically including the closing, reporting and consolidation process, as well as all of those that are impacted by significant judgements, estimates, assessments, and projections.

The documentation in each of the processes comprises:

- Breakdown of accounts and significant disclosures.
- Breakdown of the information systems that impact the subprocesses.
- Breakdown of the internal procedures and standards approved by Management, which regulate these processes/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.

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 control identified.
- Frequency of the controls.
- Level of automation of the controls.
- Type of control: preventive or detective.
- Determining whether or not it covers the risk of fraud.
- Owner in charge of each control.

The Group aims to launch a continuous process for updating the internal control

system which guarantees the quality and reliability of financial reporting, not merely limiting itself to yearly or half-yearly financial reports.

To do so, in 2017, the Group began to develop a specific tool in order to increase effectiveness with regards to the management, reporting and document repository of the Group's internal control system with an international dimension.

With regards to the significant judgements, estimates and projections, it is the Group's Economic-Finance Department that sets the assumptions and performs the calculations. To do so, it uses 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), it also uses the information provided by specialists external to the Group. 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.

Gestamp has internal control policies and procedures on the information systems supporting the entity's 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, Gestamp 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 this information into account, a risk management model is being developed which identifies threats and establishes the action plans to guarantee the business objectives deriving from the dependence on information systems.

Generally speaking, the following controls exist to provide Gestamp with reasonable assurance concerning the internal control of reporting systems:

- Gestamp has the road map of the most relevant applications, including those with the objective of processing the 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 2017, 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 three prestigious firms which were 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.

There is a function charged with Consolidation within the Group's Economic-Finance Department. The functions assigned to said team, and also specifically in the Group's Criteria and Accounting Policies Manual, include the update thereof on an annual basis, at least.

In addition, there is another Function in the Economic-Finance Department charged with the Design and Definition of 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 regards to daily transaction accounting, the responsibility for resolving queries in relation to these processes lies with the Function charged with the Design and Definition of Financial Processes, whereas any queries regarding accounting policies are resolved by the Function charged with Consolidation, as stated in the Manual. This centralisation of query resolution allows for increased standardisation of criteria.

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 October 2017.

The information required to update the Criteria and Accounting Policies Manual is received by the Function charged with Consolidation 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 Function charged with Consolidation 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 Function charged with Consolidation (Consolidation Team) within the Group's Economic-Finance Department. 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 overseeing and periodically reviewing the effectiveness of the internal control and the financial reporting process.

In financial year 2017, the Audit Committee approved the scope matrix of the ICFRS established by the Internal Control Function, in accordance with what is stated in section F.2.1, and supervised the progress of the ICFRS project by means of periodic reports submitted by the Group's Finance Director.

The Group has an Internal Audit Function which hierarchically reports to the Group's Vice-Chairman and functionally to the Audit Committee. The Internal Audit Function supports the Audit Committee with regards to overseeing the correct functioning of the ICFRS and reports the results of the review work carried out.

The Internal Audit Function has an Internal Audit Plan for financial year 2018 approved by the Audit Committee on 14 December 2017, which provides for the undertaking of specific work and reviews of relevant financial and non-financial information.

The Internal Audit Function reports the conclusions drawn from their reviews to the Audit Committee in the regular appearances made throughout the financial year. These conclusions include potential corrective actions if weaknesses are detected, and monitoring thereof once approved.

In relation to the activities carried out by the Audit Committee in financial year 2017, an activity report was drawn up 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 there is a General Shareholders' Meeting held. Among other aspects, the activity report for financial year 2017 includes:

- The periodic review of the Company's financial information
- The approval of the scope matrix of the ICFRS established for financial year 2017
- The review and proposal, for approval by the Board of Directors, of the Comprehensive Risk Management System Policy and the ICFRS Policy
- The creation of the Company's Internal Audit Function, or
- The approval of the Internal Audit Charter

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 states the power held by the Audit Committee: "to regularly receive information on the activities of the Internal Audit Function; 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, never compromising its independence. To this end, and where applicable, recommendations and proposals, with the relevant deadlines for follow-up, may be submitted to the administrative body".

Seven meetings of the Audit Committee were held in 2017.

External auditors attended three Audit Committee meetings to communicate the provisional state of the audit work on the Group's financial statements and the essential facts detected, including any potential weaknesses regarding internal control identified while performing their work, if there were any.

The head of the Group's Internal Control Function regularly intervened in the Audit Committee meetings, presenting the degree of progress of the work performed with regards to the ICFRS.

Furthermore, the Internal Audit Director reported to the Audit Committee the internal control weaknesses identified as a result of the work performed in relation to the review of the ICFRS.

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 information sent regarding the ICFRS was not submitted for review by the external auditor given that the Group continues to implement the improvements and recommendations that arose in the ICFRS adaptation process, launched as a result of recently going public on the Continuous Market on 7 April 2017.

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. When a parent and a subsidiary are listed companies, both should provide detailed disclosure on:

a) The types of activity they engage in, and any business dealings between them, as well as between the listed subsidiary and other group companies.

b) The mechanisms in place to resolve possible conflicts of interest.

Complies Complies in part 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 Complies in part Explain

Given that the Company was still not a public listed company at the time of the Annual General Shareholders' Meeting on 22 March 2017, this Recommendation was not applicable. In this regard, the Chairman of the Board of Directors did not have the opportunity to communicate the most important aspects of corporate governance during the meeting. However, the Company anticipates compliance with this Recommendation in the Annual General Shareholders' Meeting to be held in 2018 and thereafter.

4. The company should draw up and implement a policy of communication and contacts with shareholders, institutional investors and proxy advisors that complies in full with market abuse regulations and accords equitable treatment to shareholders in the same

position.

This policy should be disclosed on the company's website, complete with details of how it has been put into practice and the identities of the relevant interlocutors or those charged with its implementation.

Complies Complies in part Explain

Article 13 of the Regulations of the Company's Board of Directors establishes the basic principles of the policy of communication and contacts with shareholders, institutional investors and proxy advisors. Nevertheless, given the recent admission to trading of company shares, the Company is still in the process of adapting its corporate structure to corporate governance best practices and among its tasks is that of drawing up the aforementioned policy.

In any case, the Company has communication channels set up that can be seen on its website and, in particular, the Company's contact for area of Investor Relations.

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 Complies in part Explain

6. **Listed companies drawing up the following reports on a voluntary or compulsory basis should publish them on their website well in advance of the annual general meeting, even if their distribution is not obligatory.**

a) **Report on auditor independence.**

b) **Reports on the operation of the audit committee and the nomination and remuneration committee.**

c) **Audit committee report on related-party transactions.**

d) **Report on the corporate social responsibility policy.**

Complies Complies in part Explain

Given that the Company was still not a public listed company at the time of the Annual General Shareholders' Meeting on 22 March 2017, this Recommendation was not applicable. However, the Company plans to publish the aforementioned reports on its website well in advance of the Annual General Shareholders' Meeting to be held in 2018.

7. **The company should broadcast its general shareholders' meetings live on the corporate website.**

Complies Explain

Since the admission to trading of its shares, the Company has not had the opportunity to hold a General Shareholders' Meeting. In any case, the Company will assess the appropriateness of live broadcasting its next General Shareholders' Meetings.

8. **The audit committee should strive to ensure that the board of directors can present the company's accounts to the general shareholders' meeting without limitations or qualifications in the auditor's report. In the exceptional case that qualifications exist, both the Chairman of the audit committee and the auditors should give a clear account to shareholders of their scope and content.**

Complies Complies in part 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 Complies in part Explain

Given that the Company was still not a public listed company at the time of the Annual General Shareholders' Meeting on 22 March 2017, this Recommendation was not applicable. However, the Company plans to publish, on an ongoing basis, the abovementioned conditions and procedures on its website, ensuring that they encourage shareholders to attend and exercise their rights and that they are applied in a non-discriminatory manner.

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 Complies in part 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 Complies in part 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 Complies in part 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. The board of directors should approve a director selection policy that:

- a) Is concrete and verifiable.
- b) Ensures that appointment or re-election proposals are based on a prior analysis of the board's needs.
- c) Favours a diversity of knowledge, experience and gender.

The results of the prior analysis of board needs should be written up in the appointments committee's explanatory report, to be published when the general meeting is convened which will ratify the appointment and re-election of each director.

The director selection policy should pursue the goal of having at least 30% of total board places occupied by women directors before the year 2020.

The appointments committee should run an annual check on compliance with the director selection policy and set out its findings in the annual corporate governance report.

Complies Complies in part Explain

Given that the Board of Directors Selection Policy was approved by the Board of Directors in its last meeting in 2017, the Company's Nomination and Compensation Committee has not had the opportunity to run a check on the compliance of the abovementioned policy. However, this Committee plans to check its compliance in 2018.

In addition, the Board of Directors Selection Policy envisages among its principles that of favouring knowledge, experience and gender diversity, all in line with what is established in Article 7 of the Regulations of the Board of Directors.

15. Proprietary and independent directors should constitute an ample majority on the board of directors, while the number of executive directors should be the minimum practical bearing in mind the complexity of the corporate group and the ownership interests they control.

Complies Complies in part Explain

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 Complies in part Explain

The Company website contains the information referred to in this Recommendation with the exception of the other paid activities Directors engage in, the shareholder proprietary directors represent and the shares held by the Directors.

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 Complies in part 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 Complies in part 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. **Companies should establish rules obliging directors to inform the Board of Directors of any circumstance that might harm the company's name or reputation, tendering their resignation as the case may be, with particular mention of any criminal charges brought against them and the progress of any subsequent trial.**

The moment a director is indicted or tried for any of the offences stated in company legislation, the board of directors should open an investigation and, in light of the particular circumstances, decide whether or not he or she should be called on to resign. The board should give a reasoned account of all such determinations in the annual corporate governance report.

Complies Complies in part 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 Complies in part Explain Not applicable

- 24. Directors who give up their place before their tenure expires, through resignation or otherwise, should state their reasons in a letter to be sent to all members of the board. Irrespective of whether such resignation is filed as a significant event, the reason therefor must be explained in the annual corporate governance report.**

Complies Complies in part 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 Complies in part 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 Complies in part 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 Complies in part 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 Complies in part 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 Complies in part 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 Chairman 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 Complies in part 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 Complies in part Explain

33. The Chairman, 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 Complies in part 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 Chairman or vice-Chairmans, 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 Chairman's succession plan.

Complies Complies in part 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 Chairmans 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 Complies in part Explain

Pursuant to Article 36 of the Board Regulations, the Board shall devote the first of its annual meetings to evaluating its own functioning in the previous year, assessing the quality of its work, evaluating the effectiveness of its rules and, where appropriate, adopting an action plan to correct any aspects seen to be of scant functionality.

Furthermore, the Board will assess (i) the Chairman's performance of his/her duties and, if any other person is appointed with the position, the Company chief executive's performance of his/her duties, based on the report submitted to the Board by the Nomination and Compensation Committee; and also (ii) the functioning of the Board committees based on the report they submit to the Board.

However, given that in the first meeting of financial year 2017 it was still not a listed company, the Company did not have the opportunity to conduct the abovementioned assessments in 2017.

- 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.**

Complies Complies in part 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 Complies in part Explain Not applicable

- 39. All members of the audit committee, particularly its Chairman, should be appointed in relation to their knowledge and experience in accounting, auditing and risk management matters. A majority of committee places should be held by independent directors.**

Complies Complies in part 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 Chairman or the Chairman of the audit committee.**

Complies Complies in part Explain

- 41. The head of the unit handling the internal audit function should present an annual work programme to the audit committee, inform it directly of any incidents arising during its implementation and submit an activity report at the end of each year.**

Complies Complies in part Explain Not applicable

- 42. The audit committee should have the following functions over and above those legally assigned:**

1. As regards information systems and internal control:

- a) Monitor the preparation and the integrity of the financial information prepared on the company and, where appropriate, the group, checking for compliance with legal provisions, the accurate demarcation of the consolidation perimeter,**

and the correct application of accounting principles.

- b) Ensure the independence of the unit handling the internal audit function; propose the selection, appointment, re-election and removal of the head of the internal audit service; propose the service's budget; approve its priorities and work programmes, ensuring that it focuses primarily on the main risks the company is exposed to; receive regular report-backs on its activities; and verify that senior management are acting on the findings and recommendations of its reports.
- c) Establish and supervise a mechanism whereby staff can report, confidentially and, if appropriate and feasible, anonymously, any significant irregularities that they detect in the course of their duties, in particular financial or accounting irregularities.

2. With regard to the external auditor:

- a) Investigate the issues giving rise to the resignation of the external auditor, should this come about.
- b) Ensure that the remuneration of the external auditor does not compromise its quality or independence.
- c) Ensure that the company notifies any change of external auditor to the CNMV as a material event, accompanied by a statement of any disagreements arising with the outgoing auditor and the reasons for the same.
- d) Ensure that the external auditor has a yearly meeting with the board in full to inform it of the work undertaken and developments in the company's risk and accounting positions.
- e) Ensure that the company and the external auditor adhere to current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and other requirements concerning auditor independence.

Complies Complies in part Explain

Although neither the By-laws nor the Regulations of the Company's Board of Directors include the functions referred to in section 2 of this Recommendation, the Audit Committee carries out these functions on a regular basis.

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 Complies in part 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 Complies in part Explain Not applicable

45. The risk control and management policy should identify at least:

- a) The different types of financial and non-financial risk the company is exposed to (including operational, technological, financial, legal, social, environmental, political and reputational risks), with the inclusion under financial or economic risks of contingent liabilities and other off- balance-sheet risks.
- b) The determination of the risk level the company sees as acceptable.
- c) The measures in place to mitigate the impact of identified risk events should they

occur.

- d) **The internal control and reporting systems to be used to control and manage the above risks, including contingent liabilities and off-balance- sheet risks.**

Complies Complies in part 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 Complies in part Explain

47. **Members of the Nomination and Compensation 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 Complies in part Explain

48. **Large cap companies should operate separately constituted Nomination and Compensation Committees.**

Complies Explain Not applicable

49. **The appointments committee should consult with the company's Chairman 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 might consider suitable.

Complies Complies in part 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 Complies in part Explain

51. **The remuneration committee should consult with the company's Chairman and chief**

executive, especially on matters relating to executive directors and senior officers.

Complies Complies in part 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 Complies in part Explain Not applicable

53. The task of supervising compliance with corporate governance rules, internal codes of conduct and corporate social responsibility policy should be assigned to one board committee or split between several, which could be the audit committee, the appointments committee, the corporate social responsibility committee, where one exists, or a dedicated committee established ad hoc by the board under its powers of self-organisation, with at the least the following functions:

- a) **Monitor compliance with the company's internal codes of conduct and corporate governance rules.**
- b) **Oversee the communication and relations strategy with shareholders and investors, including small and medium-sized shareholders.**
- c) **Periodically evaluate the effectiveness of the company's corporate governance system, to confirm that it is fulfilling its mission to promote the corporate interest and catering, as appropriate, to the legitimate interests of remaining stakeholders.**
- d) **Review the company's corporate social responsibility policy, ensuring that it is geared to value creation.**
- e) **Monitor corporate social responsibility strategy and practices and assess their degree of compliance.**
- f) **Monitor and evaluate the company's interaction with its stakeholder groups.**
- g) **Evaluate all aspects of the non-financial risks the company is exposed to, including operational, technological, legal, social, environmental, political and reputational risks.**
- h) **Coordinate non-financial and diversity reporting processes in accordance with applicable legislation and international benchmarks.**

Complies Complies in part Explain

54. The corporate social responsibility policy should state the principles or commitments the company will voluntarily adhere to in its dealings with stakeholder groups, specifying at least:

- a) The goals of its corporate social responsibility policy and the support instruments to be deployed.
- b) The corporate strategy with regard to sustainability, the environment and social issues.
- c) Specific practices in 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.
- d) The methods or systems for monitoring the results of the specific practices referred to above, and identifying and managing related risks.
- e) The mechanisms for supervising non-financial risk, ethics and business conduct.
- f) Channels for stakeholder communication, participation and dialogue.
- g) Responsible communication practices that prevent the manipulation of information and protect the company's honour and integrity.

Complies Complies in part Explain

55. The company should report on corporate social responsibility developments in its directors' report or in a separate document, using an internationally accepted methodology.

Complies Complies in part 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 Complies in part 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 Complies in part Explain Not applicable

Prior to 2013, the Company had an annual variable remuneration system linked to exclusively subjective criteria. In 2013, with the aim of introducing a variable remuneration system offering a method, transparency, objectivity, certainty and which, in addition, is in line with the Group's high growth margins, the Company opted for a variable remuneration system that is exclusively linked to objective criteria, which are predetermined and measurable based on financial indicators relating to the Company's value. This change in the annual variable remuneration system has allowed the Company to increase its commitment to management teams, consolidate a variable remuneration system that is firmly established in the Group, and also maintain a sustained growth dynamic.

Moreover, in 2016, a long-term incentives plan was approved for the 2016-2020 period for certain company managers, linked to the achievement of long-term objectives and aimed at promoting sustained value creation for the Group over time and increasing the retention and motivation rates of key employees for the Company.

The long-term incentives plan is linked to the achievement, by the end of the period, of a series of financial objectives set forth in the Group's Strategic Plan and related to shareholder interests, given that it is linked to the creation of value for the Group.

- 59. A major part of variable remuneration items should be deferred for a long enough period to ensure that predetermined performance criteria have effectively been met.**

Complies Complies in part 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 Complies in part 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 Complies in part 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.

Nevertheless, the Company does not directly contemplate a variable remuneration system that includes the award of shares or financial instruments whose value is linked to the share price.

- 62. Following the award of shares, share options or other rights on shares derived from the remuneration system, directors should not be allowed to transfer a number of shares equivalent to twice their annual fixed remuneration, or to exercise the share options or other rights on shares for at least three years after their award.**

This condition, however, will not apply to shares that the director must dispose of to

defray costs related to their acquisition.

Complies Complies in part 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 Complies in part Explain Not applicable

64. Termination payments should not exceed a fixed amount equivalent to two years of the director's total annual remuneration and should not be paid until the company confirms that he or she has met the predetermined performance criteria.

Complies Complies in part Explain Not applicable

H 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.

In accordance with the provisions contained in Article 2 of *Royal Decree-Law 18/2017, of 24 November, which modifies the Code of Commerce, the revised text of the Capital Companies Act approved by Royal Decree Legislative 1/2010, of 2 July, and Law 22/2015, of 20 July, on Audit of Accounts, regarding non-financial information and diversity* ("RD 18/2017"), the Company states the following:

Given the recent approval of RD 18/2017 and the short period of time that has lapsed between the admission to trading of the Company shares and the preparation of this Annual Corporate Governance Report, the Company has not had the opportunity to approve a diversity policy applicable with regards to the composition of the Board of Directors, which regulates aspects such as training, professional experience, age, disability, gender and any measures that may have been adopted to include a certain number of women on the Board of Directors so as to ensure a balanced presence of men and women.

Therefore, the Board of Directors, in order to adapt its corporate governance structure to best practices, and with the support of the Nomination and Compensation Committee, shall assess the appropriateness of approving the abovementioned policy in accordance with the needs detected on the Board of Directors.

Nevertheless, as referred to in section C.1.6.bis of this Annual Corporate Governance Report, the Board of Directors Selection Policy approved by this body in its last meeting of the year in question, envisages among its principles that of favouring knowledge, experience and gender diversity, all in line with what is established in Article 7 of the Regulations of the Board of Directors.

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.

General clarification

Given that the Company's shares were admitted to trading on 7 April 2017, the period this Annual Corporate Governance Report refers to is divided into two different stages, in other words, before and after the shares were admitted to trading.

In this regard, with a view to being as transparent as possible and avoiding any confusion, the information included in the different sections of this report relate to financial year 2017 as a whole, that is, including the period when the shares had still not been admitted to trading.

Take section B.4. Serves as an example as it includes the attendance data at the General Shareholders' Meetings held before the Company's shares were admitted to trading. The same criterion was applied, among others, in section C.1.29. with regards to the number of Board meetings in the year; in section C.1.30. in relation to the number of meetings where all directors attended or in relation to the information regarding related-party transactions that is included in section D of this report.

Section A.2.

On 23 March 2017, the prospectus corresponding to the sale offering and admission to trading the shares of Gestamp Automoción, S.A. (hereinafter referred to as the "Company") was registered with the CNMV (*National Securities Market Commission*). As a result of the aforementioned offering, once the shares of the Company had been admitted to trading and the Greenshoe Option accompanying them had been applied, Acek Desarrollo y Gestión Industrial, S.L., became a direct holder of 21.17% of the share capital, previously a holder of 37.62% before the offering.

On 23 March 2017, the prospectus corresponding to the sale offering and admission to trading the shares of the Company was registered with the CNMV. As a result of the referred to offering, and once the shares of the Company had been admitted to trading, Risteel Corporation B.V., ceased to be a shareholder due to the sale of 10.75% of the share capital of which it was the holder.

Section A.6.

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 Gestamp 2020, S.L. to sell the Company shares held indirectly by the transferring party; request the redemption of Gestamp 2020, S.L. shares held by the transferring party or request the dissolution of Gestamp 2020, S.L.
- (iv) 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.
- (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.
- (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.1.2

On the one hand, it is established that the date of the last appointment of directors took effect on 24 March 2017, that is, the day after the date of verification and recording, by the CNMV, of the prospectus of the initial public offering of the Company's shares.

On the other hand, due to an application to be admitted to trade the company's shares, in order to comply with the laws and recommendations of good governance applicable to listed companies, on 24 march 2017 the entire Board of Directors was removed. On the same date, the actual Board of Directors was appointed.

Sections C.1.3 and C.1.10

It is hereby stated that, as was communicated through the relevant fact dated 20 December 2017 (record no. 259758), the Company's Board of Directors, during the reporting period, agreed to appoint Mr. Francisco López Peña as CEO of the Company and independently to said appointment, Mr. Francisco José Riberas Mera continues to perform his duties as Executive Chairman.

In addition, regarding the appointment of Mr. Noboru Katsu and Mr. Tomofumi Osaki, it is established that there 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.6.

Section C.1.9

Due to an application to be admitted to trade the company's shares, in order to comply with the laws and recommendations of good governance applicable to listed companies, on 24 march 2017 the entire Board of Directors was removed. On the same date, the actual Board of Directors was appointed.

Section C.1.16

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 is Ms. Raquel Cáceres Martín was not included in the table in section C.1.16 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 2017 as set out in section C.1.16 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 2017 Financial Statements have been formally approved by the Annual General Shareholders' Meeting which will be held in 2018; the provisions granted as a long-term incentive corresponding to the proportional part of the year; the sum of any benefits granted and compensation paid due to a Senior Manager leaving the Steering Committee in the year in question.

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 Chairman.

(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 Chairman'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 Chairman shall have the casting vote.

(i) The Chairmen 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 chief executive 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 C.2.2

For the purposes of communicating the number of female directors and the percentage thereof in previous years, it is hereby stated that the Company did not have an Audit Committee or Nomination and Compensation Committee established in the years in question given that its shares were admitted to trading in 2017.

Section D.2.

For further information please visit the note 31 to the consolidated annual accounts of the year ended 31 December 2017.

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.

This annual corporate governance report was approved by the Company’s Board of Directors at its meeting held on 26 February 2018.

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