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# Directors' Remuneration Policy

Gestamp Automoción, S.A.

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## 1. Introduction

Pursuant to articles 249 bis and 529 novodecies of the Spanish Companies Act (the “SCA”) and article 22 of the Bylaws of Gestamp Automoción, S.A. (the “Company” or “Gestamp”, and jointly with its subsidiaries “Gestamp Group”), the General Shareholders’ Meeting is the governing body responsible for approving the directors’ remuneration policy (the “Remuneration Policy”), at the Gestamp Board of Directors’ proposal, at least every three years, as a separate item on the agenda.

In compliance with these legal and Bylaws provisions, the following Remuneration Policy is hereby proposed to the General Shareholders’ Meeting, for its approval.

This document includes the remuneration applicable to directors in their condition as such and the remuneration applicable to directors for the performance of executive duties.

## 2. Main changes to the Remuneration Policy

On 29 March 2021, the Board of Directors of the Company, at the proposal of the Nomination and Compensation Committee, submitted for approval at the General Shareholders’ Meeting of Gestamp on 06 May 2021 the Directors’ Remuneration Policy applicable to the financial periods 2021, 2022 and 2023. Said Remuneration Policy will cease to apply after 31 December 2023. This makes it necessary to approve a new Remuneration Policy for application in the years 2024, 2025 and 2026.

On 19 December 2022, the Gestamp Board of Directors, at the proposal of the Nomination and Compensation Committee, resolved to update the remuneration of directors in their condition as such, within the total maximum limit set in the Directors’ Remuneration Policy in force.

Also on 19 December 2022, and under the framework of the Remuneration Policy in force, the Board of Directors, at the proposal of the Nomination and Compensation Committee, agreed on a 5% raise in the fixed and variable remuneration of the executive chairman, which is the same percentage applied in the general salary update for Gestamp Group Corporate Services staff.

As such, the Board of Directors, at the proposal of the Nomination and Compensation Committee, has resolved to submit to the General Shareholders’ Meeting scheduled at first call on 09 May 2023 the Remuneration Policy herein, which will take effect as of 01 January 2024 and which includes the following changes:

- (i) To align the Policy with high standards of good corporate governance, while considering the specific characteristics and circumstances of the Gestamp Group, technical improvements and improvements in the wording of the Policy are introduced in order, among other things, to improve adaptation to the requirements in the latest SCA reform.

- (ii) On the other hand, the above-mentioned update to the remuneration of directors in their condition as such. Although this update was under the total maximum limit for the annual remuneration of directors in their condition as such, as established in the Remuneration Policy in force, said limit should be increased to give the Board of Directors greater flexibility in the future allocation of directors' remuneration.
  
- (iii) Besides, the above-mentioned update to the fixed and variable remuneration of the executive chairman and executive director means that the fixed and variable remuneration amounts applicable to executive directors under the Directors' Remuneration Policy in force need to be adapted.

In addition to the above-mentioned developments, in preparing the Remuneration Policy herein, both the Nomination and Compensation Committee and the Board of Directors have taken into account, among other things, the following factors:

- (i) The vote on the Remuneration Policy in force approved by the General Shareholders' Meeting on 06 May 2021, which received 99.1212% votes in favour, 0.8649% votes against and 0.0139% abstentions, in relation to the votes present or represented at the Meeting.
  
- (ii) The result of the advisory vote on the Directors' Remuneration Annual Report for 2021 held by the General Shareholders' Meeting on 10 May 2022, which received 97.3408% votes in favour, 2.6289% votes against and 0.0303% abstentions, in relation to the votes present or represented at the Meeting.
  
- (iii) The Gestamp Group strategy, including both the business strategy and the environmental, social and governance (ESG) strategy.
  
- (iv) The Gestamp system of corporate governance, comprising its internal regulations and the general policies applicable to the entire Gestamp Group.
  
- (v) The economic climate in general and in the automotive sector in particular.
  
- (vi) The comparative analysis of directors' remuneration at 100 Spanish listed companies, including those belonging to the Ibex-35.
  
- (vii) Best practices in corporate governance and the current remuneration regulations applicable to the Company, plus the stakeholder views that have been shared with the Company.

### 3. Remuneration Policy objective and principles

The main objective of the Remuneration Policy is to promote the sustained creation of value for the Gestamp Group over time, to implement the Company strategy and, in turn, to attract, retain and motivate the very best professionals.

In this respect, the remuneration of all directors is based on the following principles:

- (i) Sufficiency. It should be sufficient to compensate their dedication, qualification and responsibility without compromising their independence.
- (ii) Competitiveness. It should help attract and retain the very best professionals while remaining in line with market standards applicable to national or international companies with similar characteristics. To this end, the Nomination and Compensation Committee will periodically perform a comparative analysis of the remuneration systems at comparable companies.
- (iii) Dedication. It should match the dedication and responsibility of each director.
- (iv) Reasonability. It must be in line with the Company's reality and that of the sector in which it operates, as well as the economic situation at any given time.
- (v) Proportionality. It must be set taking into account the Company's remuneration and employment conditions, as well as the sector and comparable companies. In addition, when the remuneration sums for directors' roles are reviewed, the adjustment applied in general to the Gestamp Group staff and specially the review applied to the Gestamp Group management team will be taking into account. Regarding the adjustment of the remuneration sums for executive directors, the remuneration policies applicable to Gestamp Group staff across the board shall also be taken into account.
- (vi) Good governance and transparency. The Board of Directors shall adopt any measures required to ensure good governance and transparency in the remuneration received by the Directors so as to guarantee the trust of investors and shareholders.

Directors' remuneration for the performance of executive duties is additionally guided by the following principles:

- (i) Performance. It shall include a variable component that can be annual and/or pluriannual and that is linked to the achievement of specific targets aligned with the strategic goals of Gestamp Group. It shall also be linked to the sustained creation of value over the time, thereby aligning the interests of the directors with those of the Company.

- (ii) Equality. Directors' remuneration for the performance of executive duties shall be proportional to each director's level of responsibility and experience, always guaranteeing zero discrimination on the grounds of gender, age, origin, sexual orientation and identity, religion or race, in accordance with the Board of Directors Diversity and Selection Policy.

## 4. Competent bodies

### **Directors' remuneration in their condition as such**

The maximum annual remuneration for all directors in their condition as such shall be determined by the **General Meeting**, through approval of the corresponding Remuneration Policy, and it shall remain in effect until the General Meeting approves any amendment thereto. However, the Board of Directors may reduce its amount in any financial year in which it considers said reduction appropriate, in accordance with article 22 of the Gestamp Bylaws.

The **Board of Directors**, at the proposal of the **Nomination and Compensation Committee**, shall determine the remuneration of each director in their condition as such, considering the duties and responsibilities assigned to each director, whether they sit on any Board committees and any other objective conditions that may be considered relevant.

### **Directors' remuneration for the performance of executive duties**

Under article 529 octodecies of the SCA, directors' remuneration for performance of the executive duties set out in the contracts approved in accordance with article 249 of the SCA will be consistent with this Remuneration Policy.

The **Board of Directors** will be responsible for determining directors' remuneration for the performance of executive duties, at the proposal of the **Nomination and Compensation Committee**, as set out in articles 8.3 (b) (ii) and 41.3 (a) (ii) of the Regulations of the Board of Directors.

The Nomination and Compensation Committee proposes and validates the setting of variable annual and pluriannual remuneration targets. Subsequently, the Nomination and Compensation Committee assesses the achievement of these targets to determine the variable amounts to be paid to directors with executive duties. Once the amount is determined, it is approved by the Board of Directors. As both variable annual remuneration and variable pluriannual remuneration are variable remuneration systems linked to the achievement of quantifiable financial/economic goals that are included in the Gestamp Group consolidated financial statements, their consolidation and payment is deferred until the external audit and approval thereof by the General Shareholders' Meeting.

## 5. Directors' remuneration in their condition as such

Pursuant to article 22.1 of Gestamp's Bylaws, the remuneration of directors in their condition as such is structured as follows:

### **Fixed remuneration**

Directors receive a fixed annual amount that will be distributed by the Board of Directors as it sees fit, considering each director's conditions, the duties and responsibilities assigned to them by the Board, whether they sit on any of the Board committees and their position on said committees. This may lead to different directors receiving different remuneration amounts. The Board will also determine the periodicity and the form of payment, which may include insurance and pension systems as set forth from time to time.

No credits, advanced payments, guarantees or indemnifications for termination of the relationship with the Company are contemplated, nor any remuneration other than that indicated above.

### **Maximum amount of fixed remuneration**

The maximum total amount of annual remuneration for directors in their condition as such is 1,400,000 euros. This maximum amount shall remain in force until the approval of an amendment to this Remuneration Policy.

This amount may be reduced in any financial period in which the Board of Directors feels such action is appropriate, in accordance with article 29.2 of the Regulations of the Board of Directors of the Company.

## 6. Directors' remuneration for the performance of executive duties

Pursuant to article 22 of the Gestamp Bylaws, if a director is assigned executive duties, a contract will need to be signed by and between the director and the Company in accordance with the provisions set forth in the SCA. The contract shall include any concept by virtue of which the director may receive any remuneration for performing executive duties including, where appropriate, severance payments and the amounts to be paid by the Company as insurance premiums or contributions to saving systems.

The contact may include fixed remuneration and additional variable remuneration, which is payable if the corresponding pre-established targets are met. As a general rule, variable remuneration will relate to professional performance and will be linked to certain performance criteria that: (i) will be

predetermined and measurable; and (ii) will consider the risk assumed to achieve a certain result.

## 6.1. Structure of directors' remuneration for the performance of executive duties

The structure of directors' remuneration for the performance of executive duties is detailed below and it is similar, in terms of concepts and components, to the remuneration set for Gestamp Group senior management.

### **Fixed remuneration**

The fixed remuneration amount will be determined according to the executive duties linked to the position, level of responsibility, experience, contribution to the position and the remuneration standards of the market in which the Company operates.

### **Variable annual and pluriannual remuneration**

The aim of variable remuneration for directors with executive duties is to: (i) link part of their remuneration to the accomplishment of specific targets aligned with the strategic targets of the Gestamp Group and the creation of value for the Group, (ii) foster their commitment and (iii) link their short- and long-term goals to those of Gestamp Group and its shareholders.

The Board of Directors, under the framework of the Remuneration Policy herein and at the proposal of the Nomination and Compensation Committee, shall determine the variable remuneration applicable to each executive director (annual and/or pluriannual) and the amounts payable depending on the degree of fulfilment of the corresponding targets.

#### Variable annual remuneration

Variable annual remuneration rewards the contribution towards achievement of specific, quantifiable targets set by the Gestamp Group, which may include economic and financial targets and non-financial targets. Different weightings may be assigned to different targets.

Economic and financial targets are linked to Gestamp Group's performance in each financial period according to the metrics established in the budget for that period and may be based, among others, on EBITDA, Net Debt, level of investment (CAPEX), Working Capital and Free Cash Flow.

Non-financial targets may include targets linked to the development of certain policies that are of particular relevance to the Gestamp Group, such as sustainability from an environmental, social and



governance (ESG) perspective, talent management, efficiency and competitiveness, the development of comprehensive management systems or the development of new technologies.

Variable annual remuneration shall be set as a percentage of the total fixed annual remuneration. The metrics for determining the degree of achievement each year shall be set in advance and approved by the Nomination and Compensation Committee.

Variable annual remuneration is calculated by applying a percentage depending on the degree of fulfilment of each target and considering their relative weighting. The payout curve has a minimum threshold of 70% and a maximum threshold of 120% for each of the defined targets. If the result achieved is less than 70%, no amount will be paid for the target in question. If the result achieved is between the minimum (70%) and maximum (120%) thresholds, an amount will be paid that varies according to the percentage achieved. Beyond the maximum 120% threshold, 120% remuneration will be given regardless of the resulting figure.

#### Variable pluriannual remuneration (long-term incentive)

The aim of this remuneration is to reward the creation of sustainable value for shareholders in the long term and to motivate and retain key employees of the Gestamp Group. To achieve this, the Company may establish an incentives programme based on the annual launch of triannual plans, whereby the annual payment can never exceed 50% of the fixed remuneration of the executive director in question. The effective term of said programme may exceed the effective term of the Remuneration Policy herein. The targets set for each plan will be linked to the achievement of predefined, specific and quantifiable long-term targets, including, in all cases, economic/financial targets, with the aim of promoting the sustained creation of value for the Group over time. The metrics for determining the degree of fulfilment of these targets will be established and approved in advance by the Nomination and Compensation Committee.

Just as for variable annual remuneration, if the result achieved is less than 70%, no amount will be paid for the target in question. If the result achieved is between the minimum (70%) and maximum (120%) thresholds, an amount will be paid that varies according to the actual percentage achieved. Beyond the maximum 120% threshold, 120% remuneration will be given regardless of the resulting figure.

#### Other remuneration components

Executive directors may benefit from the conditions or social benefits applicable to executives of the Gestamp Group.

In addition, the remuneration systems applicable to executive directors may include the award of shares, share options or remuneration linked to the value of Company shares, under the terms and conditions, where applicable, set by the General Shareholders' Meeting.

## 6.2. Basic contractual terms applicable to executive directors

In general, the contractual terms applicable to directors in relation to performance of executive duties shall be as follows:

- (i) Term. The contracts might be either an indefinite term or a specific duration. In all cases, will remain in effect for as long as the executive director remains in their position. There are no established advance notice periods for dismissal.
- (ii) Legislation. The contracts shall be commercial in nature and shall be governed by the legislation that applies in each case.
- (iii) Exclusivity. Directors with executive duties shall be required to provide their services exclusively to Gestamp Group companies throughout the contract term unless expressly authorised otherwise.
- (iv) Non-compete obligation. As long as their contracts remain valid, directors with executive duties shall not be allowed to perform any activities, either directly or indirectly, that could enter into competition with any company in the Gestamp Group.
- (v) Verification of variable remuneration components. The following provisions related to verification of the variable components of remuneration shall be included:
  - a) Qualifications of the auditors. Any qualifications indicated in the auditor's report that could reduce the Company's profits shall be taken into account as regards the payment of variable annual and/or pluriannual remuneration linked to the economic-finance objectives.
  - b) Deferral. Neither the annual nor the pluriannual variable remuneration shall be paid until the consolidated financial statements of the Gestamp Group have been approved by the Company's General Shareholders' Meeting.
  - c) Clawback provision. The Company shall be entitled to demand that variable

components of remuneration be returned when payment was not consistent with the director's actual performance or was based on data that was subsequently found to be misstated.

- (vi) Provisions on the termination of contracts for directors with executive duties. Payments arising from termination of contracts for directors with executive duties (including amounts paid in relation to post-contractual non-compete provisions) must not exceed an overall maximum amount equal to two (2) years of the total annual remuneration. Pursuant to the terms of section (v) (b) above, the variable annual remuneration related to this compensation shall not be paid until the consolidated financial statements of the Gestamp Group have been approved by the Company's General Shareholders' Meeting.
- (vii) Post-contractual non-compete provision. Upon termination of their contract, directors with executive duties shall not be allowed to render any services, either directly or indirectly, on their own account or on behalf of third parties, personally or through an agent, if such services are concurrent or compete with the activities of the Company or Gestamp Group companies. This provision shall remain in effect for one (1) year after contract termination, and compensation shall be paid as stipulated in the corresponding contract.

### 6.3. Contribution to the strategy, interests and long-term sustainability of the Company

This Remuneration Policy is designed considering the strategy, interests and long-term sustainability of the Company, and therefore the structure of executive directors' remuneration comprises the following elements:

- (i) Fixed elements that compensate the level of responsibility held by the director, their professional experience and the market conditions at comparable companies.
- (ii) Variable annual elements that reward the achievement of financial targets or non-financial targets such as ESG targets, and targets linked to the efficiency and competitiveness of the Gestamp Group.
- (iii) Variable pluriannual elements that promote long-term value creation and enable the alignment, in this respect, of the interests of the recipients with those of the Company. These plans allow for the long-term evaluation of results, and they consider the business strategy in effect at any given time.

In addition, and to ensure that the Remuneration Policy is not exposed to any excessive risks:

- (i) Variable remuneration is accrued after the Gestamp Group financial statements have been prepared, and it is paid after the financial statements have been approved by the General Shareholders' Meeting.
- (ii) The components of variable remuneration are flexible enough for the remuneration amount to be adjusted to zero.
- (iii) Variable remuneration is subject to a clawback provision.

With regard to the measures required to prevent conflicts of interest on the part of the directors, and in line with the provisions of the SCA, the Regulations of the Board of Directors establish the duty of directors to inform the Company of any direct or indirect situation of conflict that they or persons linked to them may have as regards the interests of the Company. In this respect, apart from the communication that the directors may send to the Company, as applicable, in the event of a conflict of interest, the directors are required to make a statement indicating the existence of any conflict with the Company's interests upon preparation of the financial statements and the semi-annual financial information by the Board of Directors. On the other hand, the Regulations of the Board of Directors regulate the duties of directors, including the duty to abstain, the duty not to compete, duties related to limitations on the use of non-public information and corporate assets and duties related to not taking advantage of business opportunities.

## 6.4. Remuneration of the executive chairman and executive director

Under the remuneration framework set out in sections 6.1, 6.2 and 6.3 of this Remuneration Policy, and without prejudice to any updates that may be applied under the provisions of the final paragraph of section 6.4 herein, the remuneration of the executive chairman and the executive director (effective as of 01 January 2024) is as follows:

### Executive chairman

- (i) **Fixed remuneration:** 749,700 euros per year.
- (ii) **Variable annual remuneration:** Maximum remuneration of 50% of their fixed annual remuneration applicable at any given time.
- (iii) **Variable pluriannual remuneration:** they may receive variable pluriannual remuneration of an annual maximum amount of 50% of their fixed annual remuneration applicable at any given time.
- (iv) **Payment in kind:** this includes life insurance.

- (v) **Post-contractual non-compete obligation effective for one (1) year:** receipt of economic compensation amounting to 1,000,000 euros to be paid in twelve (12) monthly instalments.

#### Executive director

- (i) **Fixed remuneration:** 315,000 euros per year.
- (ii) **Variable annual remuneration:** they may receive variable annual remuneration of an annual maximum amount equal to no more than 50% of their fixed annual remuneration applicable at any given time.
- (iii) **Variable pluriannual remuneration:** they may receive variable pluriannual remuneration of a maximum amount of 50% of their fixed annual remuneration applicable at any given time.
- (iv) **Payment in kind:** this includes life insurance and a company car.
- (v) **Post-contractual non-compete obligation effective for one (1) year:** compensation of this non-compete obligation is included in the director's remuneration described in the previous paragraphs.

Regarding the annual remuneration mix for the executive directors, assuming they receive variable annual remuneration, their total remuneration would consist of 66.6% fixed annual remuneration and 33.3% variable annual remuneration. In the case executive directors were beneficiaries of variable annual and pluriannual remuneration, their total remuneration would consist of 50% fixed annual remuneration, 25% variable annual remuneration and 25% variable pluriannual remuneration.

The remuneration package for the executive chairman and the executive director for future periods will be reviewed by the Board of Directors, at the proposal of the Nomination and Compensation Committee, in accordance with this Remuneration Policy. This review will consider, in particular, the value and merits of the executive chairman and director, the market conditions in comparable companies, the Company's capacity to undertake such review, the development of the responsibilities and duties assumed by each of them and any other relevant factors.

To this end, in application of the Remuneration Policy, the Board of Directors, at the proposal of the Nomination and Compensation Committee, can approve the updating of the fixed and variable annual remuneration of the executive chairman and executive director if such update is aligned with the salary update generally applied to Gestamp Group's Corporate Services employees.

## 6.5. Executive Directors new appointments

The above-mentioned director remuneration system for the performance of executive duties will be applicable to any director who joins the Board of Directors during the effective term of the Remuneration Policy herein for the performance of executive duties.

The Nomination and Compensation Committee, in application of the Remuneration Policy, proposes to the Board of Directors the definition of the elements and amounts under the remuneration system that are applicable to new executive directors, considering the value and merits of these directors, the market conditions in comparable companies, the Company's capacity to undertake said definition, the assumed responsibilities and duties and any other relevant factors. This definition shall be duly reflected in the corresponding contract to be signed by and between the Company and the new executive director.

In addition, and as an exception, to facilitate the hiring of external candidates, the Nomination and Compensation Committee may propose to the Board of Directors that special remuneration or incentives be set up to better attract talent and to offset potential losses for candidates moving from other roles.

## 7. Temporary exceptions

In accordance with the provisions of article 529 novodecies 6 of the SCA, following a favourable report from the Nomination and Compensation Committee, the Board of Directors may apply temporary exceptions to the components of the directors' remuneration defined in the Remuneration Policy herein. These temporary exceptions can only be applied when they are necessary to serve the long-term interests and sustainability of the Company as a whole or to ensure the viability of the Company.

Any temporary exception applied during the effective term of the Remuneration Policy herein shall be duly reported in the corresponding Directors' Remuneration Annual Report.

## 8. Period of validity

This Remuneration Policy shall remain in effect during the period 2024, 2025 and 2026.

## 9. Other relevant details

The Company has contracted a liability insurance policy for the directors and managers of Gestamp and the directors and managers in ten performances of their duties, which covers any liability that may arise for said directors and managers of Gestamp and all Group companies.

## 10. Scope

This Remuneration Policy is applicable to all members of the Gestamp Board of Directors.