



Report of the board of directors

pursuant to the provisions of articles 518 d) and 528 of the Spanish Capital Companies Act on the amendment of the Regulations of the Board of Directors of Acerinox, S.A., included in item 11 of the agenda of the Annual Shareholders' Meeting to be held on April 19, 2024, at first call and on April 22, 2024, at second call

Madrid, March 12, 2024

REPORT OF THE BOARD OF DIRECTORS PURSUANT TO THE PROVISIONS OF ARTICLES 518 D) AND 528 OF THE SPANISH CAPITAL COMPANIES ACT ON THE AMENDMENT OF THE REGULATIONS OF THE BOARD OF DIRECTORS OF ACERINOX, S.A., INCLUDED IN ITEM 11 OF THE AGENDA OF THE ANNUAL SHAREHOLDERS' MEETING TO BE HELD ON APRIL 19, 2024, AT FIRST CALL AND ON APRIL 22, 2024, AT SECOND CALL

Wording of item 11 on the agenda

"Reporting to the Annual Shareholders' Meeting in accordance with articles 518 d) and 528 of the Spanish Capital Companies Act on the amendment of the Regulations of the Board of Directors. This amendment to the bylaws will be conditional upon the adoption by the Annual Shareholders' Meeting of the resolutions to amend the Company's bylaws and to approve the Directors' Remuneration Policy, proposed in items 9.2 and 10 of the agenda, respectively."

I. Introduction and purpose of the report

This report has been prepared in accordance with the provisions of article 518 d) of the revised text of the Spanish Capital Companies Act, approved by Royal Legislative Decree 1/2010, of July 2 (hereinafter, the "Capital Companies Act"), which requires that from the publication of the notice of call until the holding of the Annual Shareholders' Meeting, companies must provide uninterrupted access on their website to a report by the relevant bodies regarding purely informative matters, as well as in accordance with article 528 of the LSC, which requires that the board of directors inform the Annual Shareholders' Meeting about any amendments made to the Board Regulations. This report was prepared by the board of directors of Acerinox, S.A. (hereinafter, "**Acerinox**" or the "**Company**") to explain the amendment to the Regulations of the Board of Directors passed on its meeting on March 12, 2024, which will be reported under item 11 of the agenda.

II. Rationale for the amendment to the Regulations of the Board of Directors of Acerinox, S.A. to be reported to the Annual Shareholders' Meeting

Within the framework of the continuous reflection process carried out by the Appointments, Remuneration and Corporate Governance Committee, the Company has carried out a new review of the remuneration system for Acerinox directors; it has identified some aspects that could improve this system and, with it, the Company's corporate governance system in general.

As a result of the conclusions reached in this process of reflection, which is the result of an in-depth study and a comparison exercise between the statuses of Acerinox and comparable companies, the Appointments, Remuneration and Corporate Governance Committee has proposed to the board of directors the elimination of attendance fees for board and committee meetings for Acerinox board members from the Acerinox director's remuneration system. Instead, directors shall receive only fixed annual allowance in their capacity as such; this shall be payable monthly in arrears and shall be prorated on a daily basis in the event that the corresponding position is not occupied during the entire year. The individual determination of the remuneration of each director in their capacity as a director shall be made by the board and following a report from the Appointments, Remuneration and Corporate Governance Committee, within the framework of the bylaws and the Remuneration Policy in force, respecting the maximum annual amount and other criteria contained therein.

In accordance with the foregoing, following a report from the Appointments, Remuneration and Corporate Governance Committee, the board of directors has proposed to the Annual Shareholders' Meeting the amendment of article 25 of the Company's bylaws, under item 9.2 of the agenda. Within the framework of this proposal, it is also proposed that some of the provisions relating to the remuneration and contract of executive directors be rearranged, as well as eliminating the section relating to the remuneration of the board secretary and, if applicable, vicesecretary. If these positions were directors, their remuneration would be regulated in accordance with the provisions already established for board members; if they were not, their remuneration regime should not be included either in the bylaws or in the Board Regulations for organizational reasons.

In turn, the board of directors, following a report from the Appointments, Remuneration and Corporate Governance Committee, has proposed a new Acerinox Directors' Remuneration Policy (hereinafter, the "**Policy**") to the Annual Shareholders' Meeting for approval under item 10 of the agenda.

In order to coordinate the Regulations of the Board of Directors with the amendment to the bylaws and the new Policy proposed for approval, the Appointments, Remuneration and Corporate Governance Committee has proposed the amendment of the Regulations of the Board of Directors to the board of directors, affecting article 12 ("Common norms regarding the convening of meetings and functioning of the board of directors and its committees"), Chapter II ("Board structure").

As a result, the board of directors has agreed to amend article 12 of its regulations at its meeting held on March 12, 2024, although the amendment of the Board Regulations is conditional on the adoption by the Annual Shareholders' Meeting of the resolutions to amend the bylaws and approve the new Policy, proposed under items 9.2 and 10 of the agenda, respectively.

In accordance with the foregoing, the text of article 12 of the Board Regulations is included below, highlighting the amendments approved by the board:

“Article 12. Common norms regarding the convening of meetings and functioning of the board of directors and its committees.

I. Board of directors.

A) Convening of meetings:

1. The convening of meetings will include the agenda set by the chairman. The board of directors must meet at least once per quarter and will be convened by its chairman or acting chair. Directors representing at least one third of the board of directors may convene a meeting indicating the agenda in the call, to be held at a location within the vicinity of its corporate offices, should the chairman, having been requested to convene a meeting, have not done so within the term of one month after being so requested.
2. Meetings will normally be held at the Company's registered office, although they may also be held at another location determined by the chairman.
3. Notwithstanding the aforementioned, and except where the law so forbids, resolutions may be adopted for emergency purposes or special convenience without a meeting and in writing, adhering to the requisites and formalities established by the applicable regulations.
4. However, the board may meet without the need to observe the aforementioned call requirements if all directors attend the meeting, or those not attending give their consent in writing.
5. Unless the board had been formed or exceptionally convened for emergency purposes, directors must have the necessary information sufficiently in advance in order to discuss and adopt the resolutions on the matters at hand.
6. The board will be deemed validly convened when at least half plus one of the present or represented members in office attend the meeting. Directors may appoint other directors to represent them. Non-executive directors may only do this for another non-executive director.
7. Attendance of directors at board of directors meetings will be equally valid by means of long-distance communications methods, provided said methods allow all attending directors to be reciprocally recognized and identified, be in permanent communication, and be able to intervene and cast their vote in real time. Sessions of the board of directors to which directors attend by means of long-distance communications methods shall be considered unique and shall be celebrated in the location where the chairman of the body, or whoever is replacing him, is. The aforementioned telematic attendance by specific directors must be referred to in the minutes of the meeting and agreement certifications.

B) Voting:

The agreements made by the board of directors must be adopted by the absolute majority of the directors present or represented at the session. However, the permanent delegation of any powers by the board of directors to the Executive Committee or the chief executive officer, the appointment of directors to occupy these positions, the signing of its contracts and the amendment of these regulations shall require a favorable vote by two-thirds of the members of the board in order to be valid.

C) Deliberations:

The chairman of the board shall oversee the deliberations, award the floor to requesting directors, and submit the matter to vote once he/she considers the matters to have been sufficiently debated.

D) Documentation and language:

1. Only the Spanish versions of the meeting calls, agendas, minutes, and certifications shall be officially valid. Versions of the aforementioned documents in English provided by the Company upon the specific director request are not officially valid.
2. The deliberations and resolutions of the board shall be recorded in a minutes book and each minute will be signed by the chairman and secretary, or those acting as such.

E) Information:

Directors shall receive the information relevant for the exercise of their duties with sufficient time prior to sessions and in a format suitable for the deliberation of the points on the agenda.

F) Remuneration:

1. The position of director shall be remunerated.
2. Directors, in their capacity as directors, shall receive a ~~prorated~~ fixed annual allowance as members of the board of directors and its committees.
These sums will be payable monthly in arrears and will be prorated on a daily basis in the event that the corresponding position is not occupied ~~duties are not carried out~~ during the year ~~as a whole~~ as a whole.
1. ~~The fixed remuneration shall be payable monthly in arrears.~~

- ~~2.— This will be complemented by the payment of allowances, which will only be perceived by those attending each session in person or by teleconference.~~
- ~~3.— Directors who serve on Board Committees shall also be entitled to the attendance fee indicated, which shall be the same amounts that apply for being a member of the Board, and in the same cases as in the latter.~~
- ~~4.— The attendance fees of the Chairman of the Board and of the Chairmen of the Committees, when one or the other acts in that position, shall be double those of the other members of the body.~~
- ~~2.3. The Board of Directors, following a report from the Appointments, Remuneration and Corporate Governance Committee, is responsible for setting the individual remuneration of each Director in their position as such within the framework of the Articles of Association and the remuneration policy, respecting the maximum annual amount and other criteria set out in the Director's Remuneration Policy must comply with the system provided for in the bylaws, which and shall be approved by the Annual Shareholders' Meeting as a separate item on the agenda, to be applied for a maximum period of three financial years. However, the proposals for a new directors' remuneration policyies must be submitted to the Annual Shareholders' Meeting prior to the end of the last financial year of application of the previous policy, and the Annual Shareholders' Meeting may determine that the new Ppolicy shall apply from the date of approval and for the following three financial years. Any amendment or replacement of the Policy during said period will require the prior approval of the Annual Shareholders' Meeting, in accordance with the provisions of the current legislation.~~

The total remuneration corresponding to each director in their capacity as a director shall be determined by the Directors' Remuneration Policy. Directors' annual remuneration shall vary, depending on the functions and responsibilities assigned to each of them, on whether they are members of a board committee, and on other objective circumstances that are deemed relevant.

- ~~3.4. When a member of the board of directors is appointed as the chief executive officer or conferred executive functions for some other reason, a contract must be drawn up between this individual and the Company, which must be previously approved by the board of directors, with the vote in favor of two thirds of its members. The director in question must abstain from attending the discussion and participating in the vote. The approved contract must then be attached to the meeting minutes. The contract must be in accordance with the Remuneration Policy approved by the Annual Shareholders' Meeting, which shall establish at least the amount of the fixed annual remuneration corresponding to the director for the performance of their executive duties and other provisions of law. For executive directors, the right to remuneration derived from their condition as member of the board shall be compatible with their right to remuneration for their senior management position. ~~Following a report from the Appointments, Remuneration and Corporate Governance Committee, the Board of Directors is responsible for the individual setting of~~~~

~~each Director's remuneration for the performance of the executive duties attributed to them within the framework of the remuneration policy and in accordance with the provisions of their contract.~~

5. The contract will list all items for which the executive director may receive remuneration for the performance of executive duties, consisting of fixed remuneration, a variable bonus subject to fulfillment of objectives, a long-term incentive consisting of Company shares based on metrics aligning their interests with those of the Company, ~~the Company's Board of Directors and those of its subsidiaries shall not be entitled to any of the following~~ and, where applicable, the same income in kind as the other members of senior management. The Company shall also make a yearly contribution to its savings and social insurance provision subject to the conditions set out in the regulations governing senior management remuneration, in accordance with the Remuneration Policy approved by the Annual Shareholders' Meeting and the limits set therein. ~~The Director is not entitled to any payment for performing executive functions whose amounts or concepts are not laid out in this contract. The contract must be in accordance with the remuneration policy approved by the General Shareholders' Meeting, which shall establish at least the amount of the fixed annual remuneration corresponding to the Director for the performance of their executive duties and other provisions of law.~~ The chief executive officer's contract shall include any severance pay to which he/she is entitled as a result of dismissal by the Company, which must not exceed the figure established in the Remuneration Policy. The director is not entitled to any payment for performing executive functions whose amounts or concepts are not laid out in this contract.

Following a report from the Appointments, Remuneration and Corporate Governance Committee, the board of directors is responsible for the individual setting of each director's remuneration for the performance of the executive duties attributed to them within the framework of the Remuneration Policy and in accordance with the provisions of their contract.

~~5. — The remuneration of the Secretary shall be determined by the Board of Directors, and attendance allowances can be part of said remunerations for an identical or analogous amount as that of Directors.~~

G) Duty to abstain:

1. Directors must abstain from voting or participating in deliberations involving issues in which they hold a personal interest, or which affect a family member or a company in which they hold an executive position or in which they are significant shareholders.

2. Directors affected by appointment, reelection, or dismissal proposals must abstain from participating in the deliberations and votes regarding their position, leaving the meeting while such procedures take place.

H) Attendance of other people:

1. People whose presence at board meetings and meetings of the Executive Committee is considered to be convenient by the chairman, may attend said meetings.
2. The chief executive officer may be accompanied to meetings of the aforementioned bodies by members of Company management they deem to be necessary.

I) Annual performance evaluation:

1. The board of directors must carry out an annual evaluation of its functioning and that of its committees and, based on the results of said evaluation, must propose a plan of action to correct any detected deficiencies.
2. The results of the evaluation shall be consigned in the meeting minutes or shall be incorporated to said minutes as an appendix.

J) Advice:

Directors may request external advisement through the chairman of the board when they consider it necessary for the proper execution of their duties.

II. Board committees

A) Convening of meetings:

The committees shall gather once they have been convened by the chairman, who shall determine the agenda. Convening of meetings shall also be mandatory when so requested by the majority of the body.

B) Quorum:

The board will be deemed validly convened when the majority of its present or represented members in office attend the meeting.

C) Secretariat of the Appointments, Remuneration and Corporate Governance Committee, Audit Committee and Sustainability Committee:

The position of secretary of the committees shall be held by whomever is deemed adequate by the board of directors in accordance to a proposal by its chairman, with the exception of the Executive Committee, where the secretary of the board shall also be its secretary. The minutes recording the contents of the meeting are to be prepared by the secretary and then submitted to the chairman for approval. The minutes are to be recorded in the book of minutes and a copy sent to each member of the applicable committee.

D) Other provisions:

1. The renewal, reelection, and dismissal of members of board committees are governed by the regulations established by the board of directors.
2. Any person deemed necessary by the chairman of the committee may attend its meetings even though they may not hold the position of directors.

If these people were to be managers or employees of the Company, or companies of the Group, the attendance request shall be processed through the chief executive officer.

3. For cases not provided for in the present, the provisions regarding the functioning of the board of directors shall be applicable to the committees in whatever manner allowable.

III. Redaction of article 12 of the Regulations of the Board of Directors under Title I ("The board of directors and its committees"), Chapter II ("Board structure"), conditional on the adoption by the Annual Shareholders' Meeting of the proposed resolutions submitted under items 9.2 and 10 of the agenda, respectively.

***Article 12. Common norms regarding the convening of meetings and functioning of the board of directors and its committees.**

I. Board of directors.

A) Convening of meetings:

1. The convening of meetings will include the agenda set by the chairman. The board of directors must meet at least once per quarter and will be convened by its chairman or acting chair. Directors representing at least one third of the board of directors may convene a meeting indicating the agenda in the call, to be held at a location within the vicinity of its corporate offices, should the

chairman, having been requested to convene a meeting, have not done so within the term of one month after being so requested.

2. Meetings will normally be held at the Company's registered office, although they may also be held at another location determined by the chairman.
3. Notwithstanding the aforementioned, and except where the law so forbids, resolutions may be adopted for emergency purposes or special convenience without a meeting and in writing, adhering to the requisites and formalities established by the applicable regulations.
4. However, the board may meet without the need to observe the aforementioned call requirements if all directors attend the meeting, or those not attending give their consent in writing.
5. Unless the board had been formed or exceptionally convened for emergency purposes, directors must have the necessary information sufficiently in advance in order to discuss and adopt the resolutions on the matters at hand.
6. The board will be deemed validly convened when at least half plus one of the present or represented members in office attend the meeting. Directors may appoint other directors to represent them. Non-executive directors may only do this for another non-executive director.
7. Attendance of directors at board of directors meetings will be equally valid by means of long-distance communications methods, provided said methods allow all attending directors to be reciprocally recognized and identified, be in permanent communication, and be able to intervene and cast their vote in real time. Sessions of the board of directors to which directors attend by means of long-distance communications methods shall be considered unique and shall be celebrated in the location where the chairman of the body, or whoever is replacing him, is. The aforementioned telematic attendance by specific directors must be referred to in the minutes of the meeting and agreement certifications.

B) Votes:

The agreements made by the board of directors must be adopted by the absolute majority of the directors present or represented at the session. However, the permanent delegation of any powers by the board of directors to the Executive Committee or the chief executive officer, the appointment of directors to occupy these positions, the signing of its contracts and the amendment of these regulations shall require a favorable vote by two-thirds of the members of the board in order to be valid.

C) Deliberations:

The chairman of the board shall oversee the deliberations, award the floor to requesting directors, and submit the matter to vote once he/she considers the matters to have been sufficiently debated.

D) Documentation and language:

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E) Information:

Directors shall receive the information relevant for the exercise of their duties with sufficient time prior to sessions and in a format suitable for the deliberation of the points on the agenda.

F) Remunerations:

1. The position of director shall be remunerated.
2. Directors, in their capacity as directors, shall receive a fixed annual allowance as members of the board of directors and its committees.

These amounts will be payable monthly in arrears and will be prorated on a daily basis in the event that the corresponding position is not occupied during the year.

3. The Directors' Remuneration Policy shall be in accordance with the system set forth in the bylaws and shall be approved by the Annual Shareholders' Meeting as a separate item on the agenda, to be applied for a maximum period of three fiscal years. However, the proposals for new directors' remuneration policies must be submitted to the Annual Shareholders' Meeting prior to the end of the last financial year of application of the previous policy, and the Annual Shareholders' Meeting may determine that the new policy shall apply from the date of approval and for the following three financial years. Any amendment or replacement of the Policy during said period will require the prior approval of the Annual Shareholders' Meeting, in accordance with the provisions of the current legislation.

The total remuneration corresponding to each director in their capacity as a director shall be determined by the Directors' Remuneration Policy. Directors' annual remuneration shall vary, depending on the functions and responsibilities assigned to each of them, on whether they are members of a board committee, and on other objective circumstances that are deemed relevant.

4. When a member of the board of directors is appointed as the chief executive officer or conferred executive functions for some other reason, a contract must be drawn up between this individual and the Company, which must be previously approved by the board of directors, with the vote in favor of two thirds of its members. The director in question must abstain from attending the discussion and participating in the vote. The approved contract must then be attached to the meeting minutes. The contract must be in accordance with the Remuneration Policy approved by the Annual Shareholders' Meeting, which shall establish at least the amount of the fixed annual remuneration corresponding to the director for the performance of their executive duties and other provisions of law. For executive directors, the right to remuneration derived from their condition as member of the board shall be compatible with their right to remuneration for their senior management position.
5. The contract will list all items for which the executive director may receive remuneration for the performance of executive duties, consisting of fixed remuneration, a variable bonus subject to fulfillment of objectives, a long-term incentive consisting of Company shares based on metrics aligning their interests with those of the Company, and, where applicable, the same income in kind as the other members of senior management. The Company shall also make a yearly contribution to its savings and social insurance provision subject to the conditions set out in the regulations governing senior management remuneration, in accordance with the Remuneration Policy approved by the Annual Shareholders' Meeting and the limits set therein. The chief executive officer's contract shall include any severance pay to which he/she is entitled as a result of dismissal by the Company, which must not exceed the figure established in the Remuneration Policy. The director is not entitled to any payment for performing executive functions whose amounts or concepts are not laid out in this contract.

Following a report from the Appointments, Remuneration and Corporate Governance Committee, the board of directors is responsible for the individual setting of each director's remuneration for the performance of the executive duties attributed to them within the framework of the Remuneration Policy and in accordance with the provisions of their contract.

G) Duty to abstain:

1. Directors must abstain from voting or participating in deliberations involving issues in which they hold a personal interest, or which affect a family member or a company in which they hold an executive position or in which they are significant shareholders.
2. Directors affected by appointment, reelection, or dismissal proposals must abstain from participating in the deliberations and votes regarding their position, leaving the meeting while such procedures take place.

H) Attendance of other people:

1. People whose presence at board meetings and meetings of the Executive Committee is considered to be convenient by the chairman, may attend said meetings.
2. The chief executive officer may be accompanied to meetings of the aforementioned bodies by members of Company management they deem to be necessary.

I) Annual performance evaluation:

1. The board of directors must carry out an annual evaluation of its functioning and that of its committees and, based on the results of said evaluation, must propose a plan of action to correct any detected deficiencies.
2. The results of the evaluation shall be consigned in the meeting minutes or shall be incorporated to said minutes as an appendix.

J) Advice:

Directors may request external advisement through the chairman of the board when they consider it necessary for the proper execution of their duties.

II. Board committees

A) Convening of meetings:

The committees shall gather once they have been convened by the chairman, who shall determine the agenda. Convening of meetings shall also be mandatory when so requested by the majority of the body.

B) Quorum:

The board will be deemed validly convened when the majority of its present or represented members in office attend the meeting.

C) Secretariat of the Appointments, Remuneration and Corporate Governance Committee, Audit Committee and Sustainability Committee:

The position of secretary of the committees shall be held by whomever is deemed adequate by the board of directors in accordance to a proposal by its chairman, with the exception of the Executive Committee, where the secretary of the board shall also be its secretary. The minutes recording the contents of the meeting are to be prepared by the secretary and then submitted to the chairman for approval. The minutes are to be recorded in the book of minutes and a copy sent to each member of the applicable committee.

D) Other provisions:

1. The renewal, reelection and dismissal of members of board committees are governed by the regulations established by the board of directors.
2. Any person deemed necessary by the chairman of the committee may attend its meetings even though they may not hold the position of directors.

If these people were to be managers or employees of the Company, or companies of the Group, the attendance request shall be processed through the chief executive officer.

3. For cases not provided for in the present, the provisions regarding the functioning of the board of directors shall be applicable to the committees in whatever manner allowable.

Madrid, March 12, 2024

