

ACERINOX 2020 GENERAL SHAREHOLDERS' MEETING (15 April 2021)

Dear Shareholders,

I am pleased to be able to address you once more as Chairman of Acerinox at the General Shareholders' Meeting of our Company.

As was the case with the 2019 General Shareholders' Meeting, we are obliged to also hold this General Shareholders' Meeting by electronic means, given the extraordinary circumstances we are experiencing as a result of the COVID-19 pandemic.

At this point, we all know that 2020 was a tremendously complicated year worldwide due to the pandemic and the consequences it has had at all levels: personal, social, business and economic.

Given the very difficult circumstances we are living, all of us at Acerinox hope that you and your families are all well and that the consequences of the pandemic have affected you as little as possible. In any case, we would like to reiterate our solidarity with all those who have been affected by the pandemic.

We addressed you on several occasions over the past year, and specifically on the occasion of the 2019 General Shareholders' Meeting, which was held on 22 October 2020, less than six months ago; so I believe you have been fully informed of the decisions we have had to take to preserve and ensure, above all, the health and safety of all our employees. I would like to thank all our workers for their efforts during the most difficult months of the pandemic in 2020, because with these efforts and the preventive and organisational measures taken by the company, we were able to ensure that the actions we implemented in our work centres were considered a success.

You also had the opportunity to learn about the key decisions we have taken with regard to the business, with the aim of guaranteeing its continuity and ensuring the least possible impact on its performance, which we can also consider to have been achieved, given the positive results achieved in 2020, as you will see from the data that the Chief Executive Officer and I will provide you with.

Allow me to remind you that 2020 was a very special year for our company, as September marked the 50th anniversary since its incorporation. And although we made the effort to remember this great anniversary and announce it, unfortunately circumstances prevented us from celebrating the anniversary with the grandeur we would have liked. I think the solemn occasion that is this General Shareholders' Meeting is an appropriate moment to once again assess all that has been achieved so far and to thank so many people for their effort, dedication and trust over the years.

The other great milestone of 2020 was the incorporation of VDM Metals into our Group, culminating one of Acerinox's most significant strategic transactions in recent years. This acquisition has made us world leader in high performance alloys and has transformed our company by incorporating this branch of business activity, which is complementary to our traditional business, and will enable us to develop very significant growth opportunities as soon as the markets normalise and stabilise.

In this introduction I would like to lastly mention that the Group presented its Annual Integrated Report for the first time, providing in-depth information on the different business areas and all the actions undertaken by the company, under the premise of always demonstrating that Acerinox is a long-term sustainable company, promoting economic, social and environmental sustainability under the new philosophy, which we fully share, that the ultimate aim of today's company is to achieve the right balance between the three aforementioned concepts.

Acerinox's Results

I would now like to briefly report on the results for the 2020 financial year.

The effects of the pandemic on the global economy have been devastating; according to the data recently released by the International Monetary Fund, the world economy's GDP contracted by 3.3% at the end of the year, compared to the expectation at the beginning of the year that it would grow by 3.3%. The economies of the most important markets for Acerinox also performed very negatively: the GDP of the US fell by 3.5%, the Eurozone by 6.6%, with Spain decreasing by 11%, the Asean zone by 3.4% and South Africa by 7%. As you can see, all countries performed negatively, with the exception of the Chinese economy which, as a result of its swift response to the pandemic, was able to grow by 2.3%.

This macroeconomic landscape that the world has faced undoubtedly gives an idea of the magnitude of the impact the pandemic has had on the economies of all countries.

In such a complex environment, the stainless steel sector, which began 2020 with a recovery in all markets, was immediately affected, especially in the second quarter of the year, reducing significantly the demand and consequently also reducing production, and affecting the prices in a disparate way, since they remained stable in North America and decreased in Asia and Europe.

Apparent consumption of the stainless steel flat product market decreased in all the regions where we operate, falling by 10% in North America, 14% in Europe, 20% in South Africa and 16% in Asean. Global production decreased by just 2.5% as a result of China, which increased its production by 3%.

The special alloys market experienced significant decreases in demand in the various industrial sectors that use these products: 37% in the aerospace industry, 25% in the automotive industry, 23% in the oil and gas industry, and 8% in the

electronics and electrical engineering industry, while the chemical and power generation industries remained stable. According to SMR data, this overview of demand caused the global production of special alloys to decrease by approximately 20%.

In this context I have just described, which has influenced all our actions throughout 2020, I think it is safe to say that the results obtained by Acerinox, which we present to you today for your approval, can undoubtedly be described as positive.

Turnover totalled EUR 4,668 million, down just 2% compared to 2019, with melting shop production also down by 2%, generating EBITDA of EUR 384 million, an increase of 5% compared to 2019, with an EBITDA margin of 8%. Profit before taxes and minority interests totalled EUR 132 million, 5.7 times higher than 2019. The Group also recognised very good cash flow generation of EUR 421 million, of which EUR 337 million related to the stainless division and EUR 84 million corresponded to the ten months of contribution by VDM, which enabled a dividend of EUR 135 million to be paid and payments for investments totalling EUR 99 million to be made. At year-end the Company's debt increased by just EUR 278 million despite the increase of EUR 398 million that occurred in March 2020 as a result of the acquisition of the company VDM Metals.

There are three main reasons why we have been able to achieve these positive results. Firstly, the very good performance of our American subsidiary NAS, which, as has become customary in recent years, is the Group company that contributes the highest profits to our Company. Secondly, the integration of VDM into our consolidation perimeter since March, allowing us to neutralise the decrease in turnover and EBITDA generation of the traditional business, and thirdly, the company's swift reaction to the coronavirus crisis, implementing efficient management of expenses and the working capital in the stainless steel division, which enabled us to reduce personnel and maintenance expenses by 16% and, thus, EBITDA only fell by 5% despite a 15% drop in net sales.

Following the impairments amounting to EUR 41 million in Bahru and the impairment of deferred tax assets totalling EUR 24 million, profit after taxes and minority interests amounted to EUR 49 million compared to a loss of EUR 60 million in 2019.

As a fundamental weapon in the crisis situation we were facing, we defined the strengthening of long-term financing and the preservation of our company's liquidity as key objectives of our financial management for 2020. In this respect, the results achieved can also be considered positive. At 31 December, 83% of our total financing had maturities of more than one year and 90% of the loans were at fixed interest rates. On the other hand, we had immediate liquidity of EUR 1,772 million, which more than covered our company's total term debt maturities.

Finally, I would like to highlight the fact that the process of integrating VDM is progressing at a good pace, despite the obvious difficulties resulting from the mobility restrictions we face.

Evolution of the shares

I will now explain the evolution of the stock markets and, in particular, our share price during 2020.

The stock markets were characterised by high volatility, with the first half of the year being heavily affected by the consequences of the pandemic, which generated great uncertainty, and the second half improving due to the positive evolution of the economies and increased confidence in the possibilities of controlling the pandemic.

The American stock market performed very positively, while European stock markets performed negatively, except for the German DAX and Swedish OMX. The Spanish IBEX35 performed the worst of all the European indices, falling by 15%.

Acerinox's share price evolved very much in line with the IBEX 35 throughout the year, although following the presentation of the Company's third quarter results, it began to perform better than the IBEX 35 and ended the year outperforming it, with a 10% decrease at year-end.

So far in 2021, up to 14 April, our shares have been revalued by 31%, compared to the main Spanish index, which has risen by 6.4%. At present, our shares are some of the most recommended with 82% of recommendations being to buy, 14% to hold and only one recommendation to sell.

We are convinced that the circumstances surrounding our business today, our privileged global position, the significant transformation that has taken place in our Company with the incorporation of VDM and the proven efficiency of our management, make us worthy of an improved and greater valuation by the markets and that sooner rather than later this value will be recognised.

Innovation

In the highly competitive environment in which we live, the innovation strategy is a key element to guaranteeing the future development of our products, to ensuring the continual improvement of our competitive position and the quality of our offer, to facing the challenges posed by the necessary digital transformation of our industry and to developing our commitment to sustainability.

This innovation strategy requires continuous and recurring action over time, with a long-term vision, but with tangible results and progress also in the short-term. In 2020, we continued to make decisive progress through three main axes:

- With the significant investment efforts that we are making in new equipment and in improving existing equipment, earmarking almost EUR 102 million.
- With the deployment of our Digital Transformation strategy, which is embodied in the Excellence 360° programme, with the objective of

optimising our supply chain and with the aim of achieving annual EBITDA improvements of EUR 125 million from 2023.

- Lastly, with our Research, Development and Innovation strategy, focused on the increasingly necessary offer of solutions to our customers with high value added and with the innovation of our processes, optimising the way we produce and market our products.

Sustainability Plan

Last year, the Board of Directors approved the Acerinox Sustainability Plan, called “Acerinox Positive Impact 360”. This plan includes all the developments concerning Sustainability, as well as our Corporate Social Responsibility policy, through the following five main axes:

- Ethical, responsible and transparent governance.
- Eco-efficiency and the fight against climate change.
- Circular economy and sustainable product.
- A team committed to our culture, diversity and safety.
- Supply chain and impact on the community.

For each axis, lines of action and the actions thereof to be developed have been defined in two time frames, the priority 2021-2023 and another for 2024-2025, thus guaranteeing our contribution to the Sustainable Development Goals of the 2030 Agenda and our compliance with the 10 Principles of the United Nations Global Compact.

The Environment

I would now like to briefly focus on the environment, which is so important in today's Sustainability Plan and also in an industry such as ours.

Acerinox is strongly committed to the development of a low-carbon economy and to the fight against climate change, and we are convinced that we have to be, and will be, an important player that wants to form part of the solution to the problem the world faces.

We are a benchmark in terms of the circular economy due to our continuous search for eco-efficiency, with a circular production model aimed at a long life cycle of non-polluting and recyclable products that curb climate change and resource consumption.

We act in the fight against climate change through emission reduction measures, the control of risks related to climate change and, most importantly, to the specific commitments we have made, such as:

- Achieving climate neutrality by 2050.
- A 20% reduction in emissions intensity (scope 1+2) by 2030, using 2015 data as a reference point.
- A 7.5% reduction in energy intensity by 2030, also using 2015 as a reference point for the calculation.

Corporate Governance

In 2020 the Company's governing bodies had to double their dedication, firstly due to the significant challenge of managing the Company amidst the consequences of the pandemic, secondly due to the special dedication required by the new strategic plan, and finally due to the corporate matters that fall within their areas of competence. This increased activity of the Board and its Committees is demonstrated by the number of meetings held last year: 41, compared to 28 in 2019.

In August 2020 the propriety directors of NIPPON STAINLESS STEEL CORPORATION, Mr Hattori and Mr Ikeda, resigned from the Board of Directors, with this company thereby relinquishing their representation on the Board of Directors. These resignations, and the stepping down from the Board of Mr Braulio Médel due to him reaching the statutory retirement age and no longer being eligible for re-election, and the appointment of Ms Leticia Iglesias Herraiz and Mr Francisco García Sanz as directors at the last General Shareholder's Meeting, resulted in the Board being comprised of 12 Directors, although the maximum number of 15 is maintained in the Articles of Association.

Thus, the Board is currently made up of twelve members, the majority of which are independent directors, achieving 33.3% female representation, fulfilling the target we set ourselves of reaching 30% by 2020.

Also worthy of note is the creation of a new Sustainability Committee, which will be responsible for advising on and promoting our company's sustainability strategy. As I have already mentioned, one of its first tasks was to review the "Acerinox Positive Impact 360" plan, proposing it for approval to the Board of Directors.

I would also like to mention that the Board of Directors approved the new organisation of the Company's Management as proposed by the Chief Executive Officer, once it had received the approval of the Appointments, Remuneration and Corporate Governance Committee.

Finally, I would like to inform you that, following the best Corporate Governance practices, an external self-assessment of the functioning of the Board of Directors and its Committees was carried out prior to the preparation of the financial statements, with the assistance, in this case, of the consultancy firm KPMG. It is worth highlighting that this assessment concluded that progress has been made in recent years in aspects such as composition, information, working culture and

debate, and, of course, opportunities for improvement have been identified, establishing a work plan to optimise them in the future.

Resolutions we are submitting to the General Shareholders' Meeting

With regard to the items we are submitting for approval at this General Shareholders' Meeting, I would like to highlight the following:

- The resolution of the payment of the dividend, whereby we submit for your approval, for another year, the payment of EUR 0.50 per share, totalling approximately EUR 135.3 million.
- The resolution of the reappointment for four years of the Proprietary Director Mr Tomás Hevia and of the Independent Directors Ms Laura González-Molero, Ms Rosa García Piñeiro and Ms Marta Martínez, all of whom have served their previous term of office with dedication, commitment and proven effectiveness.
- The reappointment of the audit firm Price Waterhouse Coopers for 2021.
- And lastly, authorisation to the Board of Directors for the acquisition of treasury shares to be used for the payment of the second cycle of the Second Multiannual Remuneration Plan for the Group's Executive Directors and members of Senior Management. Eleventh and Twelfth item on the Agenda.

The Future

Let me end my presentation, as is customary, with some thoughts on the future.

Over the last few years we have observed how we have been immersed in an environment whose fundamental characteristic was uncertainty. If this has been the case recently, there is no doubt that this pandemic has exacerbated this characteristic, not only in terms of the economic world and the business environment but also in practically all aspects of our ordinary lives.

In spite of the uncertainty that surrounds us, today we can fortunately say that we are beginning to see positive signs and the light at the end of the tunnel, indicating to us that the end of this nightmare that we have had to live through may be near, and that although there will be winners and losers, the most important thing is that we can be confident that there is hope.

Despite the exceptional closures occurring to prevent a fourth wave, markets are waiting for countries to open fully and for activity to gradually normalise.

The key to a powerful recovery of the world's economies lies in the vaccines and the speed with which they are deployed, and of course also in the stimuli that governments, central banks and multinational institutions are implementing, as well as in the "pent-up demand" in different sectors of the economy, which will

become the fuel for a major leap once the restrictions disappear or become more flexible.

But we must bear in mind that nothing is going to be served to us on a plate and, therefore, the differentiating factors in the degree of recovery of countries' economies will be directly related to the degree of success of the economic policies applied in all areas, the promotion of the reforms required by these economies, the effectiveness in using and taking advantage of the stimuli and also the speed with which they are implemented.

According to the forecasts from the OECD, the IMF and other institutions, it currently seems that the regions that will have strong and positive growth in 2021 and 2022, which will allow them to return to pre-pandemic GDP levels by the end of this year, are Asia, particularly China and India, and the United States. Brazil and the Eurozone as a whole, with Germany and France leading, will be able to achieve this by 2022, with Spain, and certain other countries, lagging behind and being expected to achieve this by 2023. It is possible to conclude that there is an increase in growth and confidence amid improved business conditions, supporting the global recovery albeit at different speeds.

The risks identified are related to potential inflationary pressures and the possibility of rises or volatility in long-term interest rates, despite these rates being aligned nowadays with central bank criteria.

Currently and given these forecasts, the markets have a very positive view on value investments and sectors that have a greater exposure to the recovery of the economies, as well as those that have a vital role to play in the transition to a more sustainable future. Most analysts today agree that now is the time for commodities, since they are driven by the global economic recovery, they are real assets, many are linked to the green economy, their prices tend to rise with inflation and they have always been a good hedge against inflationary surprises. Some analysts are even daring to suggest that we could be facing a new commodity super-cycle.

This situation is a magnificent opportunity for a company like Acerinox, firstly because our geographical diversification gives us a competitive advantage over others, of which we must know how to take advantage through our significant presence in the United States and also through the position we have in Europe in the countries whose economies are going to recover first. Secondly, because we are fully involved in the commodities sector. And thirdly, because with the incorporation of VDM, global leader in special alloys, we have a unique platform to be able to play an important role in the dynamics of future projects that all countries will implement, to leverage their economic recovery and to achieve the energy and technological transformation objectives that all countries have set themselves.

Linked to this, we have designed a new 2021-2025 Strategic Plan that defines specific short-, medium- and long-term objectives in order to achieve sustained growth in the future. The plan establishes specific actions to reinforce our strengths and correct our weaknesses, focusing on innovation and the

development and attraction of talent as key elements for future success. The strategy is based on and defined by four basic axes: Sustainability, understood in its broadest sense, the maintenance of a solid Balance Sheet Structure, the search for continual Excellence and the generation of Value Added.

I am convinced that adequate management of this strategy, equipping it with elements of flexibility and responsiveness, which are fundamental for managing in times of uncertainty, together with the values and strengths of our company, will enable us to successfully face the challenges ahead.

As you all know, nowadays it is very fashionable to define the Purpose of companies, and even some significant investors say that without a clear Purpose, companies have no future.

I would like to tell you that the Purpose of our company is perfectly defined in the Mission and Vision we have of what we want to be. Our purpose is: "To create high performance materials for a sustainable society, becoming the global supplier of solutions for our customers through innovation in sustainable stainless steels and high performance alloys while respecting the traditional values of our culture, all with the aim of creating value for all our Stakeholders, among which, of course, are our shareholders."

Guided by our company's Purpose, leveraged on the defined Strategy, our task now is to consolidate the great opportunities that are presented to us at this great point in our sector and to ensure the growth and success of Acerinox in the long-term. To achieve these objectives we have no other choice but to continue working, as we have always done, with the dedication, enthusiasm and commitment that we have so often shown. If we succeed in this, I am convinced that the future of our company is secured.

I would like to end by thanking all the people who make up the human team of our company for their work and dedication, who have once again proved their worth during the critical and difficult circumstances we have experienced.

I would also like to thank the management team, who have continued to steer our company so well despite the many difficulties and restrictions imposed by the pandemic.

To the Board of Directors who, as I said, have spared no effort and dedication during this difficult year.

And to all of you, our shareholders, we offer you our most sincere thanks for your confidence and for your continued support, which is the most important encouragement we have. Thank you very much.