PROPOSED RESOLUTIONS OF THE BOARD OF DIRECTORS TO BE SUBMITTED TO THE ORDINARY GENERAL SHAREHOLDERS' MEETING OF ACERINOX, S.A., TO BE HELD ON FIRST NOTICE ON 22 MAY 2023 AND ON SECOND NOTICE ON 23 MAY 2023

Madrid, 12 April 2023

PROPOSED RESOLUTIONS OF THE BOARD OF DIRECTORS TO BE SUBMITTED TO THE ORDINARY GENERAL SHAREHOLDERS' MEETING OF ACERINOX, S.A. TO BE HELD ON FIRST NOTICE ON 22 MAY 2023 AND ON SECOND NOTICE ON 23 MAY 2023

First Item on the Agenda: **"**Examination and approval, if applicable, of the annual financial statements (Balance Sheet, Profit and Loss Account, Statement of Changes in the Equity for the Financial Year, Cash Flow Statement and the Annual Report) and management reports referring to ACERINOX, S.A. and its Consolidated Group, all of which pertain to the year ended 31 December 2022."

In relation to this item of the Agenda of the General Shareholders' Meeting, the Board of Directors proposes the following resolution:

"Approve the Annual Financial Statements (Balance Sheet, Profit and Loss Account, Status of Changes in the Net Equity for the Financial Year, Cash Flow Statement and the Annual Report) and Management Report of ACERINOX, S.A., as well as the financial statements and Management Report of its Consolidated Group for the year ended 31 December 2022.

The individual and consolidated Annual Financial Statements, together with their respective management reports, have been audited by the Company's auditors."

Second Item on the Agenda: "Examination and approval, if applicable, of the Consolidated Statement of Non-Financial Information for the 2022 Financial Year."

In relation to this item of the Agenda of the General Shareholders' Meeting, the Board of Directors proposes the following resolution:

"Approve the Consolidated Statement of Non-Financial Information for the 2022 Financial Year.

The Consolidated Statement of Non-Financial Information has been audited in accordance with current regulations."

Third Item on the Agenda: "Approval, if applicable, of the proposed distribution of earnings of ACERINOX, S.A. corresponding to the year ended 31 December 2022. The proposal includes the payment of a final dividend for 2022 of €0.30 gross per share to be paid on 17 July 2023."

In relation to this item of the Agenda of the General Shareholders' Meeting, the Board of Directors proposes the following resolution:

"Approve the following proposed distribution of earnings of ACERINOX, S.A. for the year ended 31 December 2022.

Results of the Financial Year.. €332,013,162

Application:
- To distribution of dividends.. €149,599,165
- To voluntary reserves.. €182,413,997"

The amount for the distribution of dividends is the aggregate result of the sum of the following amounts:

- the interim dividend payment for the 2022 financial year for a total of €0.30 gross per share, agreed by the Board of Directors at its meeting of 20 December 2022, which was paid on 27 January 2023; and
- a final dividend charged to the 2022 financial year for the amount of €0.30 for each of the 259,724,345 existing shares (subject to the limits in Article 148 of the Spanish Capital Companies Act on the shares held in treasury stock at the time of payment). This final dividend shall be paid [through the entities participating in the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear), on 17 July 2023."

Fourth Item on the Agenda: "Approve, if appropriate, the management of the Board of Directors for the year ended 31 December 2022."

In relation to this item of the Agenda of the General Shareholders' Meeting, the Board of Directors proposes the following resolution:

"Approve the management of the Board of Directors of ACERINOX, S.A. for the year ended 31 December 2022."

Fifth Item on the Agenda: "Re-election and appointment of Directors, as applicable:

5.1. Re-election of Mr. George Donald Johnston as an Independent Director.

5.2. Appointment of Mr. Pedro Sainz de Baranda Riva as an Independent Director."

The Board of Directors, upon the proposal of the Appointments, Remuneration and Corporate Governance Committee in relation to Item **5.1** of the Agenda of the General Shareholders' Meeting, proposes the following resolutions:

5.1 "Re-elect Mr. George Donald Johnston as a Director of ACERINOX, S.A. for a period of four years, as provided in the Articles of Association, at the proposal of the Appointments, Remuneration and Corporate Governance Committee. Mr. Johnston is appointed as an Independent Director."

Likewise, in relation to Item 5.2 of the Agenda of the General Shareholders' Meeting, the Board of Directors, upon the proposal of the Appointments, Remuneration and Corporate Governance Committee, proposes the following resolutions:

5.2 "Appoint Mr. Pedro Sainz de Baranda Riva as a Director of ACERINOX, S.A., for a period of four years, as provided in the Articles of Association, at the proposal of the Appointments, Remuneration and Corporate Governance Committee. Mr. Sainz de Baranda Riva is appointed as an Independent Director."

Sixth Item on the Agenda: "Re-election of the Account Auditors of ACERINOX, S.A., and its Consolidated Group for the 2023 financial year."

In relation to this item of the Agenda of the General Shareholders' Meeting, the Board of Directors proposes the following resolution:

"Appoint the auditing firm of **"PricewaterhouseCoopers Auditores, S.L."** with Tax ID No. B-79031290 and R.O.A.C no. S0242, as accounts auditors to carry out the statutory review and audit of the financial statements of ACERINOX, S.A. and its Consolidated Group for the 2023 financial year, empowering the Board of Directors of ACERINOX, S.A. to set the conditions and formalise the related contract."

Seventh Item on the Agenda: "Authorisation for the Board of Directors, in accordance with the provisions of Article 297.1.b) of the Spanish Capital Companies Act, to increase the share capital by means of monetary contributions on one or more occasions, at any time, up to the amount of **€32,465,543** within a period of **two years**, starting from the moment of authorisation by the General Shareholders' Meeting. Delegation to the Board of Directors to exclude the pre-emptive subscription right, if the interests of the Company so require, up to a maximum of **ten** percent (10%) of the share capital of the Company at the time of authorisation."

In relation to this Item on the Agenda of the General Shareholders' Meeting, the Board of Directors proposes the following resolution:

"To empower the Board of Directors, as broadly as is required by Law, so that, in accordance with the provisions of Article 297.1.b) of the Spanish Capital Companies Act, it may increase the share capital on one or more occasions, up to a maximum amount of €32,465,543 (equivalent to half the share capital at the time of the holding of the General Shareholders' Meeting), on one or more occasions and at any time, within a period of **two years**, starting from the date of the holding of said Shareholders' Meeting, by means of the issuance of new shares, which may be ordinary, privileged, redeemable, non-voting or of any other kind permitted by Law, with or without a share premium, consisting of the consideration of new shares to be issued in monetary contributions, with the power to set the terms and conditions of the capital increase and the characteristics of the shares, as well as to freely offer the new shares not subscribed to in the period or periods of pre-emptive subscription rights, and to establish that, without prejudice to the provisions of Article 507 of the Spanish Capital Companies Act, in the event of incomplete subscription, the capital will be increased solely by the amount of the subscriptions made, and to give a new wording to the article in the Articles of Association related to capital.

Similarly, the Board is empowered to exclude, wholly or in part, the pre-emptive subscription right in the terms of Article 506 of the Spanish Capital Companies Act up to a maximum of **ten** percent (10%) of the Company's share capital at the time of authorisation. In any case, if the Board decides to suppress the pre-emptive subscription right in relation to any or all of the above-mentioned capital increases, it will issue, at the time of approving the corresponding capital increase resolution, a report listing the reasons of corporate interest justifying such a measure. This report will be made available to the shareholders and sent to the first General Shareholders' Meeting held after the resolution on the increase.

The delegation includes the power to perform all the necessary procedures so that the new shares issued as part of the capital increase or increases are admitted for trading on the stock exchanges where the ACERINOX shares are listed, in accordance with the procedures envisaged on each of said stock exchanges.

The Board of Directors is also authorised pursuant to the provisions of Article 249 bis.l) of the Spanish Capital Companies Act, to sub-delegate (with the power of substitution where appropriate), on behalf of any person, the powers conferred by virtue of this resolution that may be delegated."

Eighth Item on the Agenda: **"**Approval of a reduction of share capital through the redemption of 10,388,974 treasury shares, (from the Treasury Share Buy-back Programme approved by the Board of Directors at its meeting of 27 July 2022), excluding the right of creditors to oppose, and consequent amendment of Article 5 of the Articles of Association relating to share capital."

In relation to this item of the Agenda of the General Shareholders' Meeting, the Board of Directors proposes the following resolution:

A) To reduce the share capital of Acerinox, S.A. ("**ACERINOX**" or the "**Company**"), by the amount of up to **€2,597,243.50** through the redemption of up to **10,388,974** of its treasury **shares** held in treasury stock. These shares were previously acquired based on the authorisation by the General Shareholders' Meeting held on 16 June 2022 which authorised the Board, under Item Ten on the Agenda, within the limits laid down in Articles 144 et seq. and Article 509 of the revised text of the Spanish Capital Companies Act, approved by Royal Legislative Decree 1/2010, of 2 July (the "**Spanish Capital Companies Act**") and within the Treasury Share Buyback Programme approved by the Board of Directors of ACERINOX held on 27 July 2022 and published as Inside Information with the National Securities Market Commission (CNMV) and on the ACERINOX website on 28 July 2022.

The capital reduction does not entail a return of contributions as the Company itself is the owner of the redeemed shares, and is carried out under the Voluntary Reserve and there will be an allocation of a capital reserve to be redeemed totalling **€2,597,243.50** (an amount equal to the nominal value of the redeemed shares), which can only be made available under the same requirements for capital reduction, pursuant to the provisions set forth in Article 335 c) of the Spanish Capital Companies Act. As a result, the creditors of the Company shall not have the right to object to the agreed capital reduction which is referred to in Article 334 of the Spanish Capital Companies Act. It is also noted that the consent of the syndicate bondholders of outstanding bond and debenture issues is also not required.

The purpose of the capital reduction through the redemption of treasury shares is to increase the value of the Shareholder's shares in the Company.

This capital reduction through the redemption of treasury shares will take place during a maximum period of **two months** from the approval of this resolution.

As a result, Article 5 of the Articles of Association shall read as follows:

Article 5. Share Capital

*"The Share Capital is established as **€62,333,842.75** and is represented by 249,335,371 ordinary shares, each with a face value of €0.25 numbered sequentially from ONE to TWO HUNDRED AND FORTY-NINE MILLION, THREE HUNDRED AND THIRTY-FIVE THOUSAND, THREE HUNDRED AND SEVENTY-ONE, inclusive.*

The shares are fully subscribed and paid up."

B) To empower the Board of Directors so that, within one month of the approval of this resolution, it may determine any points which have not been expressly stipulated or that arise as a result of the agreement, and adopt the resolutions, take the actions and provide the necessary or appropriate public or private documents to carry out the full implementation of this resolution, including, without limitation, the publication of notices that are legally required and carrying out the necessary requests and notifications to exclude the share price of the redeemed shares, such powers may be delegated by the Board of Directors to any other person who the Board of Directors expressly authorises for that purpose."

Ninth Item on the Agenda: "Authorisation to the Board of Directors of the Company to acquire treasury shares for a period of two years, either by itself or through any of the companies in the ACERINOX Group, establishing the limits and requirements, thereby annulling the authorisation granted in Item Eleven of the Agenda by the General Shareholders' Meeting held on 16 June 2022."

In relation to this item of the Agenda of the General Shareholders' Meeting, the Board of Directors proposes the following resolution:

"To authorise and empower the Board of Directors of ACERINOX, S.A. or the person or persons to whom it delegates, to acquire shares from the company, either through the company itself or through any Group Company under the terms of Article 146 and 509 of the Spanish Capital Companies Act, for any consideration and for a period of two years counted from today, equivalent to a minimum exchange value of not less than 5% of the corresponding value during the trading day on which the transaction is made, and at a maximum exchange value of not greater than 5% of the corresponding value during the trading day on which the transaction is made.

For the purposes of the second paragraph of section a) of Article 146.1 of the Spanish Capital Companies Act, it is resolved to grant express authorisation for the acquisition of shares in the Company by any of the subsidiaries on the same terms resulting from this resolution.

Likewise, and for the purposes of the provisions of paragraph 3 of Article 146 section a) of the Spanish Capital Companies Act, it is expressly stated for the record that the shares acquired under this authorisation may be, wholly or in part, delivered directly to the employees or directors of the Company or of the companies belonging to its Group. Furthermore, the shares acquired as a result of this authorisation may be used, in whole or in part, both for their disposal or redemption and for potential corporate or business transactions or decisions, as well as for any other legally possible purpose.

The maximum number of treasury shares which the Company may acquire under this resolution, in addition to any shares already held by the Company and its subsidiaries on the day of the adoption, and any shares which the Company may acquire pursuant to any other authorisation, may not exceed 10% of the subscribed capital.

This authorisation cancels, to the extent of the amount not used, the authorisation granted in Item Ten of the Agenda of the General Shareholders' Meeting of the Company held on 16 June 2022.

The Board of Directors is empowered to delegate the aforementioned authorisations (with powers of substitution where appropriate) to such person or persons as it deems appropriate."

Tenth Item on the Agenda: "Submitting the "Annual Report on Remuneration of Directors of ACERINOX, S.A.", corresponding to the year ended 31 December 2022, to an advisory vote."

In relation to this item of the Agenda of the General Shareholders' Meeting, the Board of Directors proposes the following resolution:

"Approve the Annual Directors' Remuneration Report of ACERINOX, S.A., corresponding to the year ended 31 December 2022, referred to in Article 541 of the Spanish Capital Companies Act, whose text has been made available to the shareholders, in addition to the rest of the documentation relating to the General Shareholders' Meeting."

Eleventh Item on the Agenda: "Approval, if applicable, of an amendment to the Policy for the Remuneration of Directors to be applied from the moment of its approval consisting of the extension of the effects of the clawback clause to all variable remuneration of Executive Directors."

In compliance the establishments of Article 529-novodecies and related articles of the Spanish Capital Companies Act, 16.l), and 25.3 of the Articles of Association, and Articles 6.1.h) and 12.1.f) 6. of the Board of Directors Regulations of ACERINOX, on the motion of the Board of Directors of ACERINOX, and following a report prepared by the Appointments, Remuneration and Corporate Governance Committee, the following amendment of the Policy for the Remuneration of Directors which was approved in the General Shareholders' Meeting of 16 June 2022 with the purpose of including the clawback clause extended and referred to the total variable remuneration and which will be included in the Chief Executive Officer's Contract.

In relation to this item of the Agenda of the General Shareholders' Meeting, the Board of Directors proposes the following resolution:

"Approval, if applicable, following a report from the Appointments, Remuneration and Corporate Governance Committee and in accordance with the provisions of Article 529-novodecies of the Spanish Capital Companies Act, of an amendment to the Policy for the Remuneration of Directors of Acerinox, S.A. for application from the time of its approval, consisting of the amendment of point II.b. of the Policy, to incorporate therein a subsection (**v**) with the following content:

"v) Clawback clause

In the LTIP:

1. The Company may require the return of the shares delivered under the corresponding Plan to the Senior Manager (if they were a member of the Steering Committee when the circumstances mentioned below arose) or may even offset their delivery by means of the retention of other remunerations of any type that they may be entitled to receive, in the event that during the two years following the Plan Settlement Date, the Board of Directors considers that any of the following situations arises:

(i) Losses in the group in the two years after the Completion Date of the Cycle attributable to negligent management carried out during the years of the Measurement Period.

(ii) Reformulation of the financial statements of the Company, when the external auditors consider it necessary, unless it is because of a change in the accounting regulations.

2. The return of the shares shall entitle the Company to require the Senior Manager to enable it to take the corresponding steps, where appropriate, for the return of incorrectly paid taxes. The Senior Manager shall comply by following the legal and procedural steps to do this.[1]

In the rest of the variable remuneration (annual bonus):

3. The Company may also require the directors to repay in full any amounts unduly received, or to offset them against other remuneration of any kind to which they are entitled if, within two years of payment, there is irrefutable proof that the parameters used to calculate the variable remuneration were incorrectly measured and this is due:

(i) to the reformulation of the Company's financial statements, when the external auditors consider it necessary, unless it is because of a change in the accounting regulations; or

(ii) for any other reason, including, but not limited to, the following:

- Information which is manifestly false or seriously inaccurate and which is subsequently proven to be false or inaccurate.

- The occurrence of circumstances that determine the appropriate disciplinary dismissal of the Senior Manager in accordance with applicable labour legislation.

- Serious non-compliance by the Senior Manager with internal codes of conduct or policies approved by the Company or the Group.

- Any other situation involving a breach of the Company's mandatory rules by the Senior Manager.

4. When such undue payment is the result of wilful misconduct or gross misconduct by the Senior Manager, as deemed appropriate by the Board of Directors, at the proposal of the Appointments, Remuneration and Corporate Governance Committee ("Appointments, Remuneration and Corporate Governance Committee"), the amounts unduly paid shall be reimbursed at their gross amount, and the Director shall be liable for any restitutionary actions with the tax authorities.

5. If the conduct is not fraudulent or seriously culpable, the Senior Manager shall reimburse the amount actually received in excess, if they authorise the Company to exercise the corresponding actions, where appropriate, for the return of incorrectly paid taxes. The Senior Manager shall comply by following the legal and procedural steps to do this.

[1] To this extent, this clause is already included in the CEO's contract and in the Group's senior management contracts.

6. The Board of Directors, at the proposal of the CNR&GC, shall determine, where appropriate, whether the circumstances have arisen that should lead to the application of the aforementioned recovery clauses."[2]

Item Twelve on the Agenda: "Authorisation to the Board of Directors of the Company for the acquisition of up to 352,684 Acerinox shares to be used to pay the Third Cycle of the Second Multi-Year Remuneration Plan (2023-2025) established in favour of the Executive Directors and the rest of the Senior Management of the ACERINOX Group."

In relation to this item of the Agenda of the General Shareholders' Meeting, the Board of Directors proposes the following resolution:

"Authorisation to the Board of Directors of the Company for the acquisition of up to 352,684 shares of ACERINOX, S.A to be used to pay the Third Cycle of the Second Multi-Year Remuneration Plan (2023-2025), or Long-Term Incentive Plan (LTIP) in the period 2021-2025 established in favour of the Executive Directors and the rest of the Senior Management of the ACERINOX Group. The shares not allocated in this Third Cycle (2023-2025) shall be set aside for following cycles and in the last instance any left over shares shall be allocated as the Board of Management sees fit, within the legally established limits.

The maximum number of treasury shares which the Company may acquire under this resolution, in addition to any shares already held by the Company and its subsidiaries on the day of the adoption, and any shares which the Company may acquire pursuant to any other authorisation, may not exceed 10% of the subscribed capital.

The Board of Directors is authorised in the broadest terms required by law and in accordance with the provisions of the Regulations that govern the remuneration scheme of Senior Management to apply, develop, interpret and execute this agreement."

Item Thirteen on the Agenda: "Authorisation to the Board of Directors of the Company for the acquisition of up to 449,906 shares of ACERINOX, S.A. to be used to pay the First Multi-Year Remuneration Plan or Long-Term Incentive Plan (LTIP) established for Executive staff of the ACERINOX Group for the period 2021-2025."

In relation to this item of the Agenda of the General Shareholders' Meeting, the Board of Directors proposes the following resolution:

"Authorise the Board of Directors of the Company to acquire up to 446,906 shares of ACERINOX, S.A. to allocate them to the First Multi-Year Remuneration Plan or Long-Term Incentive Plan (LTIP) for ACERINOX Group management personnel for the period 2021-2025.

[2] This second part of the clause will be added to the contracts of the Group's CEO and senior management.

The maximum number of treasury shares which the Company may acquire under this resolution, in addition to any shares already held by the Company and its subsidiaries on the day of the adoption, and any shares which the Company may acquire pursuant to any other authorisation, may not exceed 10% of the subscribed capital.

The Board of Directors is authorised in the broadest terms required by law to apply, develop, interpret and execute this resolution."

Item Fourteen on the Agenda: "Approval, if applicable, of the Third Multi-year Remuneration Plan or Long-Term Incentive Plan (LTIP) for the period 2024-2028 addressed to Executive Directors and the rest of the Senior Management of the ACERINOX Group, consisting of the payment of a part of the variable remuneration through the delivery of shares, and authorisation to the Board of Directors of the Company for the acquisition of up to 208,790 shares of ACERINOX, S.A. to be used to pay the First Cycle (2024-2026) of the Third Multi-Year Remuneration Plan or Long-Term Incentive Plan (LTIP)."

In relation to this item of the Agenda of the General Shareholders' Meeting, the Board of Directors proposes the following resolution:

"Approval of the Third Multi-year Remuneration Plan or Long-Term Incentive Plan (LTIP) for the period 2024-2028 addressed to Executive Directors and the rest of the Senior Management of the ACERINOX Group, consisting of the payment of a part of the variable remuneration through the delivery of shares, and authorisation to the Board of Directors of the Company for the acquisition of up to 208,790 shares of ACERINOX, S.A. to be used to pay the First Cycle (2024-2026) of the Third Multi-Year Remuneration Plan or Long-Term Incentive Plan (LTIP)."

The basic characteristics of the Third Multi-Year Plan (LTIP) are the following:

A) Third Multi-Year Remuneration Plan

1) Duration:

The LTIP has three cycles lasting three years each. The First Cycle of the Plan extends from 1 January 2024 to 31 December 2026. The Second Cycle will start on 1 January 2025 and will end on 31 December 2027, and the Third Cycle will start on 1 January 2026 and end on 31 December 2028.

2) Purpose:

The Long-Term Incentive Plan (LTIP) will allow Senior Managers, and among them the Executive Director, hereinafter referred to as "the Beneficiaries", to receive an incentive payable in shares of ACERINOX, S.A. for a target figure of between 30% and 50% of the basic salary and with a total personal maximum of 200% of the respective target.

3) Implementation:

The LTIP is implemented through the allocation to each Beneficiary of a certain theoretical number of "Performance Shares". To calculate this theoretical number of shares, the ACERINOX S.A. shares will be valued by considering the average market price of the share in the 30 trading days prior to the beginning of the Plan. That number of Performance Shares shall serve as the basis to determine the actual number of shares of ACERINOX, S.A. to distribute, where applicable, to the Beneficiary at the end of each temporal cycle, depending on the degree of fulfilment of the objectives and subject to compliance with the requirements set out in the Regulations that govern each Plan.

4) Calculation. Metrics

Determination of the LTIP to be received. The total number of shares to be distributed on the Settlement Date for each cycle, should the established requirements be met, will be determined on the Date of Calculation according to the following formula:

Final Incentive = Target Incentive x Weighted Achievement Coefficient

Where:

- Final Incentive = number of shares of the Company, rounded by default to the nearest whole number, to distribute to each Beneficiary on the Plan Termination Date, according to the procedure stipulated in the Regulations.
- Target Incentive = number of Performance Shares assigned to the Beneficiary.
- Weighted Achievement Coefficient = coefficient dependent on the level of fulfilment of the objectives to which the Plan is linked and which will be determined in accordance with the Regulations approved by the Board.

Metrics. The Weighted Achievement Coefficient will depend on the degree of fulfilment of the objectives to which the Plan for each cycle is linked. The achievement of the objectives will be measured through identifiable and quantifiable parameters, called Metrics (hereinafter, the "Metrics"). The Metrics of the Plan will always be aligned with the Strategic Plan of the Company. For this reason, the Metrics may vary in each cycle depending on the Company's strategic priorities set at the beginning of each period.

These metrics are:

(i) The Total Shareholder Return (TSR):

This Metric makes up 75% of the Weighted Achievement Coefficient. At the end of each cycle, the TSR will be calculated, corresponding to ACERINOX and each of the companies in the Reference Group, which will be composed of companies listed on the IBEX-35 Index, excluding credit institutions (banks). The companies of this Reference Group, including ACERINOX, will be ordered from the largest to the smallest according the corresponding TSR for each company.

The payment coefficient for the position ACERINOX occupies in the ranking will be determined below. For each position in the ranking, there is a corresponding payment coefficient, ranging from 0% to 200% of the Target Incentive, according to the following scale:

- For a lower-than-average position in the Reference Group, the payment coefficient is 0% of the Target Incentive.
- For an average position in the Reference Group (15th position in the ranking) ("minimum compliance level"), the payment coefficient will be 50% of the Target Incentive.
- For a position in 75th percentile of the Reference Group (8th position in the ranking) ("maximum compliance level"), the payment coefficient will be 200% of the Target Incentive.
- For intermediate positions between the average and the 75th percentile of the Reference Group, the payment coefficient will be calculated by linear interpolation.
- For the calculation of the Initial Value and the Final Value of the share price concerned, the trading references in the main stock market will be used.

Companies to be benchmarked in this metric: Acciona, Acciona Energía, ACS, Aena, Amadeus IT Group, ArcelorMittal, Cellnex Telecom, Enagas, Endesa, Ferrovial, Fluidra, Grifols, IAG, Iberdrola, Inditex, Indra, Inmobiliaria Colonial, Logista, Mapfre, Meliá Hotels, Merlin Properties, Naturgy, Red Eléctrica, Repsol, Rovi, Sacyr, Solaria and Telefónica.

(ii) "Return on Equity" (hereinafter, "ROE"):

This Metric makes up 25% of the Weighted Achievement Coefficient. For these purposes, ROE is understood to be the ratio: "(Net Profit - minority shareholders) divided by shareholders' equity". At the end of each cycle, the ROE will be calculated for ACERINOX and each of the companies in the Reference Group, which will be made up of the following companies: Aperam, Arcelormittal, Outokumpu, Salzgitter, SSAB, AK Steel and Voestalpine. The companies of this Reference Group, including ACERINOX, will be ordered from the largest to the smallest according to their corresponding ROE.

The payment coefficient for the position ACERINOX occupies in the ranking will be determined below. For each position in the ranking, there is a corresponding payment coefficient, ranging from 0% to 200% of the Target Incentive.

The shares finally received by the Beneficiary shall be as follows:

Share Incentive = Final Incentive x (1 - Withholding Tax Rate)

Where:

- "Share Incentive" = Shares to be distributed after applying Personal Income Tax.
- "Final Incentive" = Gross number of shares resulting from applying the weighted achievement coefficient to the Target Incentive.
- "Withholding Tax Rate" = Rate of tax withheld as Personal Income Tax corresponding to the Beneficiary in accordance with the applicable legislation.

The shares received by means of this Plan will be fully paid, admitted to trading and free from any charge or tax.

The Beneficiaries will be subject to the limitation that includes the obligation to retain the received shares (net of any corresponding payment of Personal Income Tax) during a period of one year from the date of receipt. After that period has passed, the shares will be freely available.

B) First Cycle of the Third Multi-Year Plan

Authorisation to the Board of Directors of the Company for the acquisition of shares of ACERINOX S.A. to be used to pay the First Cycle of the Third Multi-Year Remuneration Plan (2024-2026), or Long-Term Incentive Plan (LTIP) in the period 2024-2028 established in favour of the Executive Directors and the rest of the Senior Management of the ACERINOX Group.

As this First Cycle of the Third Plan starts in 2024, the Board of Directors must be empowered to acquire the necessary shares to proceed, if necessary, with the payment.

The regulation of this First Cycle of the Third Plan (LTIP) is that indicated in points 1 to 4 above included in letter A) of this Item Fourteen on the Agenda, Third Multi-Year Remuneration Plan.

5) Maximum number of shares on which this First Cycle of the Plan is based (2024-2026)

The maximum number of actions to be delivered in implementation of this First Cycle of the Third Plan shall be **208,790** shares. The shares not allocated in this First Cycle (2024-2026) shall be set aside for following cycles and in the last instance any left over shares shall be allocated as the Board of Management sees fit, within the legally established limits.

The acquisition of shares by the Company shall be performed taking into account the Treasury Stock Policy established in Title III of the Internal Code of Conduct in the Stock Markets of ACERINOX, S.A. and of the companies integrated in its Business Group, approved by the Board of Directors in its meeting on 16 December 2021.

The maximum number of treasury shares which the Company may acquire under this resolution, in addition to any shares already held by the Company and its subsidiaries on the day of the adoption, and any shares which the Company may acquire pursuant to any other authorisation, may not exceed 10% of the subscribed capital.

Greater detail regarding the regulating of this incentive (and in implementing the clawback clause with which it applies) can be obtained in the relevant item of the agenda (Report of the Board of Directors on the Amendment of the Policy for the Remuneration of Acerinox Directors) with regard to the Executive Director, whose regime is the same as that of the other members of the Senior Management.

C) Authorisation of the Board of Directors

To empower the Board of Directors in the broadest terms required by law and in accordance with the provisions of the Regulations that govern the remuneration scheme of Senior Management to apply, develop, interpret and execute this agreement.

Fifteenth Item on the Agenda: "Delegation of powers to the Board of Directors for the execution, correction and authorisation of the resolutions adopted at the General Shareholders' Meeting, and capacity of the powers to convert the said resolutions into a public deed."

In relation to this item of the Agenda of the General Shareholders' Meeting, the Board of Directors proposes the following resolution:

"Delegate as broadly as legally necessary to the Board of Directors of ACERINOX, S.A., with express power to delegate, in turn, to the Chairman of the Board, the Chief Executive Officer and the Secretary of the Board of Directors, all the powers necessary or appropriate for the proper interpretation, correction, application, supplementation, development and execution of the resolutions approved by the General Shareholders' Meeting as well as for the formalisation and registration thereof, so that any of them may, jointly and severally, appear before a Notary Public and convert the foregoing resolutions into a public document. The power to rectify will include the power to make any such modifications, amendments and additions as may be necessary or desirable as a result of objections or observations raised by the regulators of the securities markets, the Stock Exchanges, the Trade Registry and any other competent public authorities relating to the resolutions adopted."

Sixteenth Item on the Agenda: Report by the Chairman on the most significant developments in the Corporate Governance of the Company, in accordance with the information contained in the Annual Corporate Governance Report for the 2022 financial year.

Seventeenth Item on the Agenda: Report by the Chairman on the most relevant developments at the Company in the area of Sustainability and Climate Change, in accordance with the information contained in the Consolidated Statement of Non-Financial Information for the 2022 Financial Year.

Eighteenth Item on the Agenda:"Reporting to the General Shareholders' Meeting in accordance with Article 528 of the Spanish Capital Companies Act on the modification of the Board of Directors Regulations."

The Board of Directors agreed to amend its Regulations at its meeting of 27 February 2023, in order to complete the regulation of the position of Coordinating Independent Director.

The amendments to the Board of Directors Regulations are explained in detail in the explanatory report issued by the Board of Directors in accordance with Articles 518.d) and 528 of the Spanish Capital Companies Act, which was made available to shareholders on the occasion of the publication of the notice of the General Shareholders' Meeting.

Madrid, 12 April 2023

ANNEX Consolidated Informative Text

POLICY FOR THE REMUNERATION OF ACERINOX, S.A. DIRECTORS

(Including in blue italics the amendment proposed in Item Eleven of the Agenda).

The General Shareholders' Meeting held in 2018 approved the Remuneration Policy that was applied that year and the following two years.

That Policy presented an essential novelty, which was to modify the parameters and amounts applicable to the remuneration of the Executive Directors of Acerinox, S.A. ("**ACERINOX**" or the "**Company**") in their position as such, following the recommendations of the Good Governance Code for listed companies and the trends of the most influential proxy advisors, but no substantial changes were made to the status of Non-Executive Directors.

A new policy incorporating the requirements of recent legislative changes was submitted to the General Shareholders' Meeting for approval in 2021. It was suggested that its three-year nature could be altered by a later decision. However, the existence at that time of regulatory projects that could lead to adjustments in the system of remuneration of the governance bodies of companies did not recommend making major changes and waiting for the new rules to become established.

This prudence was coupled with the conviction that the system in place has met the needs of the Company and is well supported by shareholders and proxy advisors, as evidenced by the historical record of votes against both the Annual Remuneration Report and the Policy itself.

Table 1 - Remuneration Report - votes against

Year	Percentage
2017	1%
2018	1%
2019	1%
2020	2.1%
2021	1.7%

Table 2 - Remuneration Policy - votes against

Year	Percentage
2016 and 2017	11.4%
2018-2019-2020	2.1%
2021	2.68%

However, and in spite of the advantages of the system, the reality is that the remuneration of the Non-Executive Directors of ACERINOX has not been modified since 2011, except for the possibility that the chairmen of the committees receive double attendance fee and the rounding made in 2021 to eliminate the cents, an anachronistic vestige of the decision taken at the time to convert into euros the amounts indicated until then in pesetas.

As required by Recommendation 56 of the Good Governance Code for Listed Companies, the remuneration of the Directors should be sufficient to attract and retain Directors with the desired profile and to reward the dedication, qualifications and responsibility that the position demands, but not so high as to compromise the independence of judgement of Non-Executive Directors. The stagnation in remuneration threatens to turn the ACERINOX Board in the medium term into a less attractive place, especially if the aim – as is normal in a multinational company – is to attract the talent and experience of professionals with world-wide projection who have many more alternatives than time available to them. In the same way, if in the medium term it is desired to establish stricter limits to the growing phenomenon of overboarding, it will be necessary to assume that even at a national level it is necessary to offer, apart from a sustainable business project and with a great capacity for development and growth (which ACERINOX and its Group are currently responding to), a remuneration in accordance with the growing demands of corporate life in a more technical and complex international environment, with the concomitant increase in responsibility.

During 2021, and at the request of the Appointments, Remuneration and Corporate Governance Committee, the internal services of the Company were asked to carry out a comparison exercise between the remunerations of ACERINOX Directors and those of comparable companies. The following parameters had to be taken into account for this comparison:

- The remunerations of independent directors in the 100 largest Spanish listed companies, averaging €139,600.
- The average remuneration of directors in Spanish listed companies with a market capitalisation similar to that of ACERINOX, S.A., which is €140,985.
- The average remuneration of the Chairpersons of the main listed companies, which amounts to €308,108.
- The accumulated CPI since the date of the last substantial change in the amount of the remuneration.
- The average social cost of the workforce in the largest Spanish business unit. The average social cost of this company is €68,797 per person.
- The increase, during the same period (2011-2021) of the collective agreed remunerations in a representative business unit. In order to avoid distortions

induced by exchange rate variations, Acerinox Europa, S.A.U. has been chosen.

In formulating their proposal, the terms of reference of the Company's internal services set several limits: none of the parameters of the benchmark could be exceeded, and the result could not lead to an excessive increase of the maximum budget for the remuneration of the Board of Directors as set out in the current Policy, which was €2 million.

The proposal should also take into account that the chairing of a committee entails a greater responsibility than that of an ordinary member and establish the necessary distinction between ordinary members, committee chairmen and the chairmanship of the Board of Directors.

The result of this exercise was submitted to the opinion of a company of great prestige in the field, which endorsed the options chosen and their quantification, and was submitted to the Appointments, Remuneration and Corporate Governance Committee, which, after the required debate and advice, formulated a proposal to the Board of Directors in the resulting terms.

I.- Principles of the Remuneration Policy

This Policy for the Remuneration of Directors is inspired and based on the following general principles:

(a) It is intended to be clear and understandable, and a reading of this Policy, without reference to other documents, should be sufficient to understand it in its entirety.

(b) Its adequacy for attracting and retaining Directors with the desired profile and for rewarding the dedication, qualifications and responsibility that the position requires of Directors, without compromising the independence of judgement of Non-Executive Directors.

(c) Reasonable proportionality with the importance of the Company, its economic situation at any given time and the market standards of comparable companies, as well as their adjustment to criteria of moderation and adequacy with the Company's results.

(d) A focus on promoting the profitability and sustainability of the Company in the long term, incorporating the necessary safeguards to avoid excessive risk-taking and the reward for unfavourable results. In the case of Executive Directors, a significant part of their variable remuneration is subject to the achievement of ESG objectives: diversity and inclusion, accident rate, CO_2 emissions and energy intensity, with a combined weighting of 10%. Fatal occupational accidents result in the loss of the accident-related incentive.

The Board of Directors shall determine the allocation of ESG objectives on an annual basis and may not set a lower weighting than the one indicated.

(e) Remuneration linked to company earnings should take into account any qualifications stated in the external auditor's report that could reduce such earnings.

(f) The remuneration system shall maintain a balance between a fixed annual remuneration that should maintain the Director's interest in being a Director and require sufficient dedication, and an attendance compensation that ensures the Director's presence in the forum of which they are a member.

(g) In determining remuneration, the employment conditions and remunerations of the Company's employees are taken into account.

In this regard, the remuneration of the workforce of the different ACERINOX companies are not governed by a decision made by the Board but by the collective agreements freely negotiated by the workers or by their representatives, and which are placed in the high bands of the average salaries of their different regions as is usual in the industrial sector and unlike the rest of the activity sectors.

In particular, in the drawing up of the present Policy which includes the remuneration scheme applicable to the Company's Directors, the Board of Directors of ACERINOX has paid special attention to the average social cost of the workforce of the largest Spanish business unit of the Acerinox Group.

II.- Components of the Directors' remuneration

a. ***<u>Directors' remuneration in their position as such</u>***

a) The fixed annual remuneration of the Chairman of the Board of Directors shall be €160,000.

b) The Chairmen of the Board Committees, with the exception of the Executive Committee, shall receive a fixed annual remuneration of €80,000.

c) The other Directors, in their position as such, shall receive a fixed annual remuneration of €70,000.

The amounts referred to in the three preceding subparagraphs shall be payable in equal monthly instalments, apportionable by days in the event their functions were not performed throughout the entire year. The fixed remuneration shall be payable monthly in arrears.

d) This remuneration will be complemented by the payment of allowances, for an amount of €2,100, which will only be received by those attending each Board or Committee session in person or by telematic means.

e) The attendance fees of the Chairman of the Board and of the Chairmen of the Executive Committee, the Audit Committee, the Appointments, Remuneration and Corporate Governance Committee and the Sustainability Committee shall be double, i.e. €4,200, when they act in that capacity.

f) 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.

g) Should another Committee be created while this Policy is in force, the Board shall allocate the relevant remuneration to its members, always in line with this Policy.

b. Directors' remuneration for the performance of executive duties

Apart from the variability established for Directors due to their attendance - or not - at Board and Committee meetings, Executive Directors are entitled to the following remuneration (at present, only the Chief Executive Officer is entitled to variable remuneration).

i) Fixed remuneration:

The fixed remuneration of the Chief Executive Officer shall be €600,000 per annum.

ii) Bonus target:

This is a percentage of the fixed remuneration (€600,000) consisting of 100% of said fixed remuneration if the targets are fully met, or up to 250% of the fixed remuneration if the targets are improved by more than 130%. For any percentage of exceedance of the target, the Bonus target increase is calculated by linear interpolation.

In the same way, if the targets are not reached, the Bonus target will fall below 100% to be cancelled in full if the fall does not allow 70% to be reached.

This Bonus is determined and accrued annually and will be paid when the Board of Directors, following a report from the Appointments, Remuneration and Corporate Governance Committee, has verified that the parameters justifying the accrual have been met.

The Bonus Targets are linked to the Company's economic performance, mainly EBITDA, Net Profit and Net Financial Debt, with a maximum of 55% of the total weight of this incentive and sustainability criteria such as occupational safety, GHG emissions, water consumption, diversity, recycling, etc., which may not be less than 10%.
The Board of Directors shall specify in the Remuneration Report of the Directors of Listed Companies the incentives indicated, their relative weight and the manner in which they have been applied.

iii) Bonus pool:

In addition, the Chief Executive Officer will participate in a Bonus pool, which is a maximum annual amount to be distributed among all members of Senior Management (which at the time of approving this Policy are: Chief Executive Officer, Chief Operating Officer, Financial Director, Secretary General, Integration Director, Director of Institutional Relations, Sustainability and Communication and the Chief Executive Officers of Acerinox Europe, North American Stainless, Columbus, Bahru Stainless and VDM Metals) and which is calculated based on a percentage of the consolidated Group's EBITDA, which for 2022 will be 0.622%. This percentage shall be adjusted automatically in line with changes in this Group.

This Bonus pool will be distributed among the recipients on a weighted basis according to the following formula.

$$\left[\boxed{\text{Bonus target}} \; \text{X} \; \boxed{\begin{array}{c}\text{Individual}\\ \text{coefficient}\\ \text{ratio}\end{array}} \right] \; \text{X} \; \boxed{\frac{\text{Bonus pool}}{\sum \text{Bonus target x Coeficiente de resultado individual}}}$$

and according to the individual results obtained in the Bonus target. The sum of the amounts to be paid to all beneficiaries is capped and, whatever the EBITDA, the sum of the Bonus target plus the Bonus pool may not exceed 250% of the sum of the Bonus targets.

As in the previous case, the amounts due for the Bonus pool calculation cannot be distributed until the Board has verified the reality of the parameters on which the calculation is based.

iv) Long-Term Incentive Plan (LTIP):

LTIP is the free provision of ACERINOX shares accrued in a three-year generation process. The term has been chosen with the intention of rewarding the generation of wealth in the long run and being comparable with the profits that the ACERINOX shareholder experiences during that period.

As in the previous cases, the Chief Executive Officer shares this system with the other members of Senior Management.

The LTIP is structured as Plans, each with three-year cycles. At the end of each cycle, the calculation is made and paid – or not – as appropriate. The LTIP allows the beneficiary to receive in shares a value between (0)% and 100% of their remuneration, the target for the current Chief Executive Officer being 50%.

The exact amount depends on the result of two metrics:

- The first metric, with a weight of 75%, is calculated based on the Total Shareholder Return (TSR) relative to other IBEX 35 non-financial companies over the period. The TSR is the sum of the dividends distributed, dividend-like transactions (not the share buyback) plus the positive or negative difference in the share price. Depending on the final ranking, LTIP entitlement will or will not accrue. At present, the companies taken as reference are:

  First Plan (expired but not yet settled): Abertis, ACS, Acciona, Aena, Amadeus, Arcelor Mittal, Cellnex, DIA, Enagás, Endesa, Ferrovial, Grifols, IAG, Iberdrola, Inditex, Indra, Inmobiliaria Colonial, Mapfre, Mediaset, Meliá Hotels, Merlin Properties, Naturgy, Red Eléctrica, Repsol, Siemens Gamesa, Técnicas Reunidas, Telefónica, Viscofan.

  Second Plan (in force): Acciona, ACS, Aena, Almirall, Amadeus IT Group, Arcelor Mittal, Cellnex, Cie Automotive, Colonial, Enagás, Ence, Endesa, Ferrovial, Grifols, IAG, Iberdrola, Inditex, Indra, Mapfre, MásMóvil, Meliá Hotels, Merlin Properties, Naturgy, Red Eléctrica, Repsol, Siemens Gamesa, Telefónica, Viscofan.

- The second metric, this one with a weight of 25%, compares the Return on Equity (ROE) of ACERINOX in relation to a universe composed by seven other companies devoted to the same kind of activity, and selected for publishing periodical and reliable economic data. At present, these companies are the following:

  Aperam, Arcelor Mittal, Outokumpu, Salzgitter, SSAB, Posco and Voestalpine.

In both cases, the Board of Directors may, in view of the circumstances, make appropriate adjustments in the interests of fairness and effectiveness of the system.

The final calculation of the shares to be delivered is based on the weighted average share price over the 30 trading days prior to the commencement of the Plan. In the Second Plan, which is the one currently in force, the amount for this purpose is €8.95. By setting a fixed value for the allocation of the shares, it is also ensured that the increase in value over the cycle, three years, is an additional benefit and its decrease is a decrease in value for the beneficiary.

v) Clawback clause

In the LTIP:

1. The Company may require the return of the shares delivered under the corresponding Plan to the Senior Manager (if they were a member of the Steering Committee when the circumstances mentioned below arose) or may even offset their delivery by means of the retention of other remunerations of any type that they may be entitled to receive, in the event that during the two years following the Plan Settlement Date, the Board of Directors considers that any of the following situations arises:

- *i) Losses in the Group in the two years after the Completion Date of the Cycle attributable to negligent management carried out during the years of the Measurement Period.*
- *ii) Reformulation of the financial statements of the Company, when the external auditors consider it necessary, unless it is because of a change in the accounting regulations.*

2. The return of the shares shall entitle the Company to require the Senior Manager to enable it to take the corresponding steps, where appropriate, for the return of incorrectly paid taxes. The Senior Manager shall comply by following the legal and procedural steps to do this.[3]
In the rest of the variable remuneration (annual bonus):

3. The Company may also require the directors to repay in full any amounts unduly received, or to offset them against other remuneration of any kind to which they are entitled if, within two years of payment, there is irrefutable proof that the parameters used to calculate the variable remuneration were incorrectly measured and this is due:

- *i) to the reformulation of the Company's financial statements, when the external auditors consider it necessary, unless it is because of a change in the accounting regulations; or*

- *ii) for any other reason, including, but not limited to, the following:*

  - *Information which is manifestly false or seriously inaccurate and which is subsequently proven to be false or inaccurate.*
  - *The occurrence of circumstances that determine the appropriate disciplinary dismissal of the Senior Manager in accordance with applicable labour legislation.*
  - *Serious non-compliance by the Senior Manager with internal codes of conduct or policies approved by the Company or the Group.*
  - *Any other situation involving a breach of the Company's mandatory rules by the Senior Manager.*

4. When such undue payment is the result of wilful misconduct or gross misconduct by the Senior Manager, as deemed appropriate by the Board of Directors, at the proposal of the Appointments, Remuneration and Corporate

[3] Text currently in force in the contract of the Chief Executive Officer and members of Senior Management

Governance Committee ("Appointments, Remuneration and Corporate Governance Committee"), the amounts unduly paid shall be reimbursed at their gross amount, and the Director shall be liable for any restitutionary actions with the tax authorities.

5. If the conduct is not fraudulent or seriously culpable, the Senior Manager shall reimburse the amount actually received in excess, if they authorise the Company to exercise the corresponding actions, where appropriate, for the return of incorrectly paid taxes. The Senior Manager shall comply by following the legal and procedural steps to do this.

6. The Board of Directors, at the proposal of the CNR&GC, shall determine, where appropriate, whether the circumstances have arisen that should lead to the application of the aforementioned recovery clauses.[4]

vi) Payment in kind

The Chief Executive Officer, the only Executive Director of the Company as of today, benefits from an accident insurance with a compensation of €2 million, a health insurance policy with a reputable company for themselves, their spouse and first-degree descendants and a vehicle for the performance of their duties, which may also be used for private purposes in appropriate proportions.

The Chief Executive Officer benefits from the same life insurance as the rest of the ACERINOX workforce and is covered by the D & O policy that this Company has taken out for all its Managers and Directors.

vii) Retention Plan or Social Welfare System

The Company will make a contribution to a Social Welfare System which will allow an Executive Director who retires while working in ACERINOX to receive a constant, lifetime pension, supplementary to the social security so that, added to the pensions recognised by the Spanish social security system or an equivalent or similar body abroad - or the total sum of these - they amount to the equivalent of 75% of the pensionable salary to be received. The system also provides a pension for the spouse in the event of death, and similar coverage in the event of disability.

The Executive Director shall not be entitled to the funds accrued or constituted in the event of termination of the Executive Director's relationship by their own resignation, or as a result of a serious and culpable breach. A severable termination of the relationship shall be deemed to exist in any of the following circumstances:

- The Chief Executive Officer's contract is terminated at the request of the Company for reasons other than a serious and culpable breach.

[4] New text to be included in the Chief Executive Officer's contract and other senior management contracts.

- The term of office of the Chief Executive Officer expires without renewal.
- When, without completing their term of office, they cease to be Chief Executive Officer for reasons other than resignation and serious and culpable breach, even if they are offered a job under the ordinary system, or a senior management post, unless the change is by mutual agreement.

To this System, which is fully outsourced, the Company has contributed €65,000 during 2021. The amount of the contributions for 2022 will be determined after an actuarial calculation, mediated by an insurance broker external to the Company.

This SWS was chosen at the time because it brought together a variety of interests. First, the loyalty of Executive Directors, as their voluntary resignation implies the loss of the funds accumulated for their benefit and, therefore, any offer from a competitor would oblige the latter to accumulate in its salary package an amount similar to the funds that the Executive Director renounces. This makes ACERINOX practically immune to the risk of losing talent at the highest levels.

On the other hand, the concurrence of a serious and culpable cause in the termination of the employment relationship determines that any right to the accumulated funds is forfeited, providing an incentive for diligence and rectitude.

Finally, the contributions to the SWS can function as a provision in case of dismissal of the executive due to the withdrawal of the Company, by allowing part of the amount to be paid out of the funds set up.

vii) Attendance fees and allowances of other Directors

The Executive Directors shall not receive attendance fees from subsidiaries or participated companies of ACERINOX, but they may receive attendance fees from the ACERINOX Board and its Committees.

viii) No non-competition commitments or payment of other items that may involve payments to the Director after their termination of employment

Non-Executive Directors shall not receive any amount as a consequence of their dismissal or termination of employment, even if this occurs before the end of their term of office.

Executive Directors shall not receive any amount in the form of a non-competition agreement or similar concept after dismissal of their service with the Acerinox Group.

III.- Why does ACERINOX consider that the established variable remunerations help sustainability and business strategy?

With reference to the Chief Executive Officer – as the issue has already been discussed in relation to the other Directors – the system helps in the following way:

a) Annual bonus. The annual bonus is accrued on the basis of parameters which, as reported favourably by the Appointments, Remuneration and Corporate Governance Committee, reflect in the opinion of the Board the performance of the Company in the medium and long term.

The metrics selected by the Board for the Executive Directors on an annual basis could be divided into distinct groups:

- Measures of economic performance: EBITDA, profit after tax and debt.
- Direct ESG measures such as workplace safety, emissions savings, energy savings, increased recycling and waste reduction.
- A qualitative evolution, including parameters that are not directly economic, which the Board must weigh up.

The specific items and their weighting shall be disclosed in the Annual Report on Remuneration.

b) Remuneration in shares. The long-term incentive payable in shares, as discussed above, combines, in its two metrics, two shareholder decisions. The first one (TSR or Total Shareholder Return) gives why a potential shareholder buys shares in a steel company, and the second one (ROE or Return on Equity) gives why, having decided to invest in steel, they have chosen ACERINOX and not another similar company.

Both metrics align the interest of the shareholder and the Executive Directors, as they will only generate an entitlement to share-based payment if shareholders have previously obtained a similar and proportionate benefit.

The period of entitlement to this incentive is three years, as this is the measurement period. This is an attempt to pay remuneration based on the ups and downs of the value of the shares, which are not intended to last over time or to follow the normal ups and downs of any listed market.

The contracts of the Executive Directors have provided for a clawback clause that would allow the Company to claw back the shares paid if subsequent events showed that the calculation of the metrics was flawed or impaired by events that led to a correction of the basis of calculation.

IV. Duration of contracts, notice periods, severance pay and social welfare measures

Non-Executive Directors are not bound by any contract but by their appointment as such and their subsequent acceptance thereof. Early termination does not give rise to any rights and there is no notice.

Executive Directors are bound by a contract, the duration of which may not exceed the term of office they hold or the Board's wish to revoke the appointment. In particular, the Chief Executive Officer's contract is limited by their term of office, which may not exceed four years – like that of the other Directors of the Company – and which is linked to their tenure of office.

In the event of resignation by the Chief Executive Officer, their contract provides for a notice period of at least three months in order to be able to organise their succession properly.

In the event of termination at the will of the Board of Directors without serious and culpable cause, the Chief Executive Officer shall be entitled to a severance payment equivalent to two years' remuneration (without including salaries in kind or Long-Term Incentive payments) and may also mobilise in their favour the mathematical provision made in their favour in the Social Welfare Plan in the part exceeding that amount, under the terms established in their contract.

In the event of resignation of the Chief Executive Officer for reasons other than a change of control involving a substantial change in the terms and conditions of employment, the Chief Executive Officer may neither receive severance nor mobilise in their favour the mathematical provision of the Social Welfare Plan originally set up in their favour.

V.- Procedure for the drawing up of this Policy

As regards the part of this Policy that regulates the remuneration regime for Executive Directors, it was the result of a long process in which the Appointments, Remuneration and Corporate Governance Committee was assisted by the specialist consultant Willis Towers Watson.

The scope of this work consisted not only of Executive Directors but, in general, of the entire Senior Management group. The working meetings lasted throughout 2017 and, finally, the Board of Directors approved in 2018 a Senior Management Remuneration Regulation that also covers the special situation of Executive Directors. Neither the Chief Executive Officer nor the Secretary of the Board were present at the final stage of deliberation and decision.

The Policy for the Remuneration of ACERINOX Directors approved by the General Shareholders' Meeting of 2018 included the remuneration system for the Executive Directors. The Board, immediately following this General Meeting, renewed the mandate of the sole Executive Director, the Chief Executive Officer, and approved their contract in accordance with the provisions of the Spanish Capital Companies Act.

With regard to the status of Non-Executive Directors and the Chairman of the Board, the Appointments, Remuneration and Corporate Governance Committee, during the first months of this year, asked the Secretary of the Board to carry out a benchmarking exercise using reliable sources (remuneration report of a well-known Human Resources consultant, CNMV publications and public information from other comparable companies).

The Secretariat undertook these tasks completely independently and without any guidance other than that set out on pages 3 and 4 from the Committee, which received the report in full. For these purposes, it should be noted that the Secretary of the Board does not hold the position of Director, nor does this Policy contemplate their remuneration system.

Subsequently, the authoritative opinion of experts in the field, in particular *KPMG*, was sought, which validated the correctness of the work carried out in a completely autonomous manner. The Appointments, Remuneration and Corporate Governance Committee, composed of three Independent Directors (one of whom is Chair) and one Proprietary Director, in view of the above, issued its mandatory report at its meeting of 25 April 2022 and resolved to provide the Board of Directors with the proposal to submit the Policy detailed herein to the General Shareholders' Meeting.

VI.- Maximum amount of the remuneration to be paid by ACERINOX to its Directors

a) Directors in their capacity as such: €70,000/year.

b) The Chairman of the Board: €160,000/year, (this remuneration is incompatible with that under point a).

c) The Chairs of Committees, except for the Chair of the Executive Committee: €80,000/year (this remuneration is incompatible with that under point a).

d) Attendance fees for Directors who do not hold the office of Chairperson: €2,100 for attendance at Board or Committee meetings.

e) Attendance fees for the Chairman of the Board and for the Chairmen of Committees when acting in that capacity, including the Executive Committee: €4,200.

Maximum total of remunerations of the Board of Directors without taking into account the remunerations of the Chief Executive Officer in their capacity as such: €2,200,000.

This figure represents an increase of approximately 10% over the approved budget in 2021.

VII.- Remuneration of the Chief Executive Officer in their capacity as executive of the Company:

- Basic Salary:	€600,000
- Theoretical maximum bonus:	€1,500,000
- Theoretical maximum Long-Term Incentive:	€600,000
- Salary in kind	€30,000

Theoretical maximum remuneration: €2,730,000. This figure does not include any severance payments that may arise.

- Contribution to the Social Welfare Plan: to be determined by the insurance actuary.

VIII.- Conclusions of the Board of Directors regarding the Policy

The modification of the remuneration system introduced in 2018 incorporated a large variability in the regime for Executive Directors, who are subject to a system in which most of their remuneration is variable.

Indeed, the first variable remuneration package consists of a bonus ranging from 0% to 100% of the base salary and up to 250% depending on metrics such as EBITDA, Net Debt or occupational health and safety. These metrics are defined by the Board of Directors and their detail can be studied in the Annual Remuneration Report. The Board of Directors should weight the different bonus components according to the objectives which, in each year, are considered to be of special attention. It should be noted that some of the parameters, most notably Health and Safety and Emissions, are set according to the Group's medium-term sustainability objectives.

The second remuneration package is the Long-Term Incentive, which describes an almost perfect parallel between Executive Directors' benefits and shareholder returns. Firstly, by comparing the trajectory of the Company's share prices over a period of three calendar years between ACERINOX shares and those of the other – non financial – companies of the Ibex 35 and, secondly, by establishing a very carefully studied benchmarking, also over three years, between the ROE of ACERINOX and that of a group of companies also dedicated to the manufacture and sale of steel (and which publish results, i.e. companies listed on stock markets).

Both systems, annual bonus and three-year Long-Term Incentive, attempt to reconcile the antinomy sometimes existing between short-term and long-term performance. Of course, the clawback system – also a new feature introduced in 2018 – responds not only to the recommendations in force but also to the need to be able to verify the robustness of the metrics used for measurement.

In the case of Non-Executive Directors, the amount of work of Committee Chairmen was already considerable, but the intensification of corporate life – with ever-increasing demands – and responsibilities justifies an increase in compensation for Committee Chairmen.

The amount of the attendance fee and its proportion to the fixed remuneration does not encourage the multiplication of meetings, but its amount tends only to compensate for the inconvenience and expenses that attendance may generate.

Overall, the Board considers that the current system has made it possible to attract to the Board of Directors professionals of high professional, academic and human quality, and has made it possible to demand an increasing workload and responsibility, while at the same time ensuring that Executive Directors are not forced to take risky and short-sighted decisions – since they do not have a significant advantage in this – and at the same time it favours the supervision of their work by the rest of the body to which they belong.

It is therefore considered that the system in place is perfectly aligned with the Company's business strategy and the creation of permanent and long-term value.

IX.- Duration of this Policy

In accordance with the provisions of Article 529-novodecies of the Spanish Capital Companies Act, this Policy shall be applicable from the moment of its approval and in the following three financial years if the General Shareholders' Meeting does not decide to approve a new one.

Translation of the original in Spanish. In case of any discrepancy, the Spanish version prevails.