



REPORT OF THE BOARD OF DIRECTORS OF ACERINOX, S.A. FOR THE PURPOSES STIPULATED IN ARTICLES 286, 296, 297.1.b) AND 506 OF THE SPANISH CAPITAL COMPANIES ACT, REGARDING THE PROPOSED AGREEMENT INCLUDED IN ITEM SEVEN OF THE AGENDA OF THE GENERAL SHAREHOLDERS' MEETING, WHICH HAS BEEN CONVENEED TO BE HELD ON 22 MAY 2023 AT FIRST NOTICE AND ON 23 MAY 2023 AT SECOND NOTICE

Madrid, 12 April 2023

REPORT OF THE BOARD OF DIRECTORS OF ACERINOX, S.A. FOR THE PURPOSES STIPULATED IN ARTICLES 286, 296, 297.1.B) AND 506 OF THE SPANISH CAPITAL COMPANIES ACT, REGARDING THE PROPOSED AGREEMENT INCLUDED IN ITEM SEVEN OF THE AGENDA OF THE GENERAL SHAREHOLDERS' MEETING, WHICH HAS BEEN CONVENED TO BE HELD ON 22 MAY 2023 AT FIRST NOTICE AND ON 23 MAY 2023 AT SECOND NOTICE.

Wording of Item Seven of 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 pre-emptive subscription rights, 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.”

I. Delegation to the Directors. Article 297.1.b) of the Spanish Capital Companies Act

In accordance with the provisions of Article 297.1.b) of the Spanish Capital Companies Act, approved by Royal Legislative Decree 1/2010, of 2 July (the “**Spanish Capital Companies Act**”), the General Shareholders' Meeting, with the requirements established for the modification of the Articles of Association, may delegate to the Board of Directors the power to agree, on one or more occasions, on an increase of the share capital up to a certain figure, at the opportunity and in the amount it decides upon, without prior consultation with the General Shareholders' Meeting. Within the limits set forth in the aforementioned article, it is foreseen that said capital amounts may not under any circumstances exceed half of the share capital of ACERINOX S.A. (“**ACERINOX**” or the “**Company**”) at the moment of the authorisation and must be paid within a maximum period of **two years**, starting from the agreement reached at the General Meeting.

RATIONALE FOR THE PROPOSAL

This proposal which is submitted to the General Shareholders' Meeting is chiefly motivated by the need to endow the Board with a flexible instrument authorised by the current corporate legislation which, at any time and without having to call and hold a prior Shareholders' Meeting, enables it to obtain resources in the form of capital, within the limits and in the periods, terms and conditions decided upon by the General Meeting.

As it is not possible to envisage what the Company's capital needs will be in advance, the delegation stipulated in Article 297.1.b) of the Capital Companies

Act is employed, which endows the Board of Directors with the appropriate degree of flexibility to meet the Company's needs in accordance with the circumstances. For such purposes, therefore, the proposal indicated below is submitted to the General Shareholders' Meeting, consisting of delegating to the Board the power to agree, on one or more occasions, on an increase in the company's share capital by issuing shares, which may be ordinary, privileged, redeemable, non-voting or of any other kind permitted by Law, with or without a bonus, at the opportunity and in the amount that the Board decides upon, without prior consultation with the General Shareholders' Meeting. Said amounts may not under any circumstances exceed half ACERINOX's share capital at the moment of the holding of the Ordinary General Shareholders' Meeting in which the agreement is proposed and must be paid by means of monetary contributions within a maximum period of **two years**, starting from the agreement reached by said General Shareholders' Meeting.

In addition, the proposed agreement submitted to the General Meeting includes the delegation of powers to the directors, so that the new shares subject to the capital increase may be admitted for trading on the stock exchanges where the Acerinox shares are admitted for trading, as well as the authorisation for the Board to delegate to any person the delegable powers received from the General Meeting.

II. Exclusion of the pre-emptive subscription right. Article 506 of the Spanish Capital Companies Act

In accordance with Article 506 of the Spanish Capital Companies Act, in the case of listed companies, when the General Shareholders' Meeting delegates to the directors the power to increase the share capital in accordance with the provisions of Article 297.1.b) above, it may also attribute to them the power to exclude the pre-emptive subscription right in relation to the issuances of shares subject to delegation when the Company's interest so requires, provided that the delegation to increase the capital with exclusion of pre-emptive subscription rights does not exceed twenty percent (20%) of the company's capital at the time of authorisation. For this purpose, such proposal for exclusion shall be included in the notice of the General Shareholders' Meeting and a report of the Board of Directors justifying the proposal shall be made available to the shareholders.

RATIONALE FOR THE PROPOSAL

The delegation to the Board of Directors to increase the share capital contained in the proposal to which this report refers also includes, pursuant to what is permitted by Article 506 of the Spanish Capital Companies Act, the attribution to the directors of the power to exclude, totally or partially, the shareholders' pre-emptive subscription right when the Company's interest so requires, in the terms of said Article 506, which establishes that the delegation to increase capital with exclusion of pre-emptive subscription rights may not refer to more than twenty percent of the company's capital at the time of authorisation. The

Board of Directors considers that this possibility significantly increases the room for manoeuvre and the response capacity provided by the simple delegation of the power to increase the share capital in the terms of Article 297.1.b) and 506 of the Spanish Capital Companies Act, and it is justified, firstly, by the flexibility and speed with which, on occasions, it is necessary to act in the current financial markets. However, the Board of Directors has considered it appropriate to limit to a maximum of **ten** percent (10%) the percentage of the share capital which may be increased excluding pre-emptive subscription rights in exercise of this delegation to the Board to increase the share capital up to a limit of 50%. The Board of Directors has also considered it appropriate to propose limiting the duration of this delegation of the power to increase capital to **two years**, instead of the five years established in the Spanish Capital Companies Act. Secondly, the suppression of the pre-emptive subscription right usually has a lesser distortion effect on the negotiation of the Company's shares during the period of issuance, which is usually shorter than for an issuance with rights.

In any case, it is expressly stated that the exclusion, in whole or in part, of the pre-emptive subscription right solely constitutes a power which the General Shareholders' Meeting attributes to the Board, whose exercise will depend on the decision of the Board of Directors itself, in view of the circumstances in each case, in compliance with the legal requirements. If, in the use of the above-mentioned powers, the Board of Directors decides to suppress the pre-emptive subscription right in relation to a specific capital increase it may decide to perform by virtue of the authorisation granted by the General Shareholders' Meeting, it will issue, at the time of agreeing upon the increase, a supporting report listing the reasons of corporate interest justifying such a measure. This report will be made available to the shareholders and communicated to the first General Shareholders' Meeting held after the resolution on the increase.

PROPOSED AGREEMENT SUBMITTED TO THE GENERAL SHAREHOLDERS' MEETING

The full text of the proposal is as follows:

"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.1) 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.”

Madrid, 12 April 2023

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