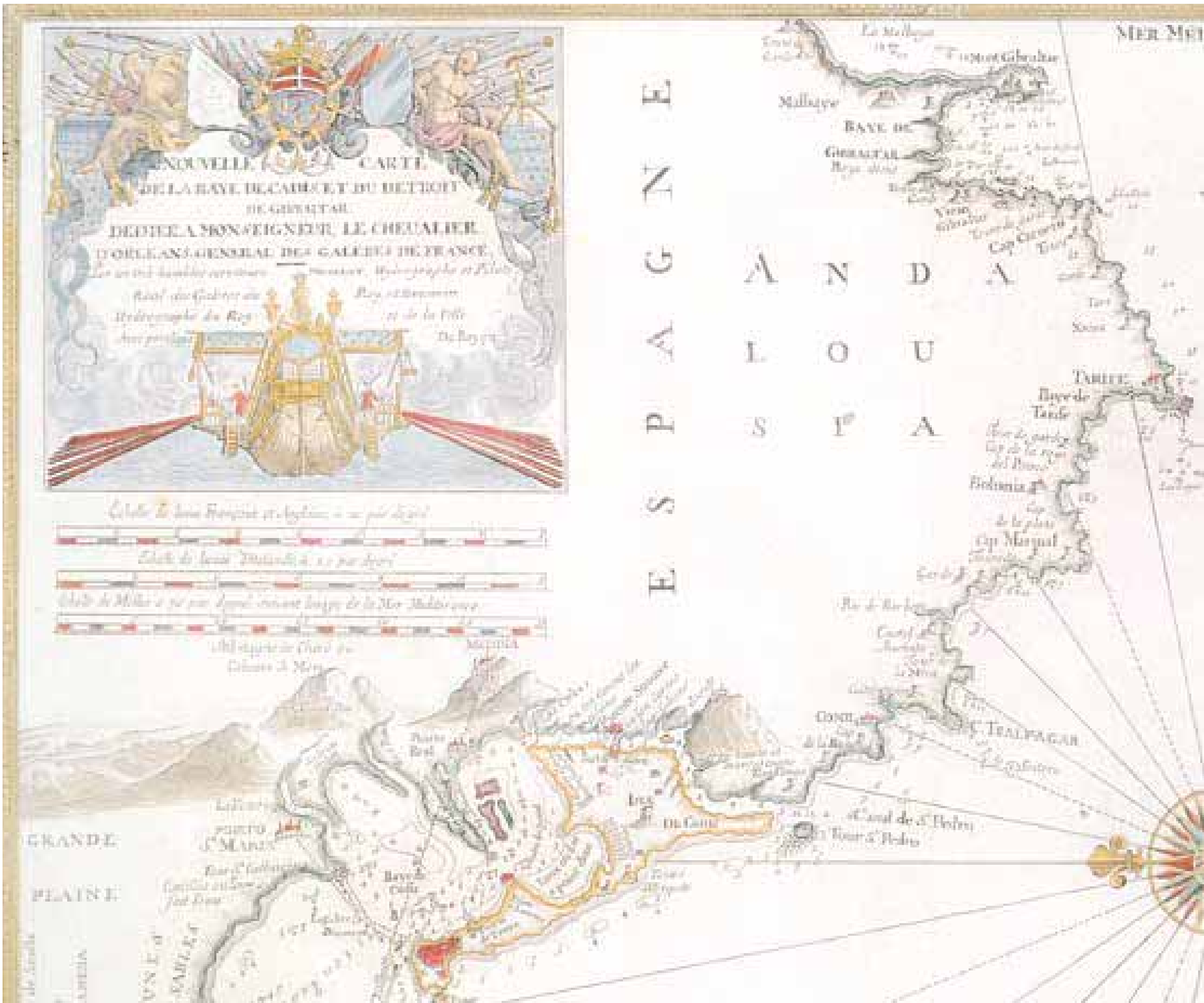
ACERINOX

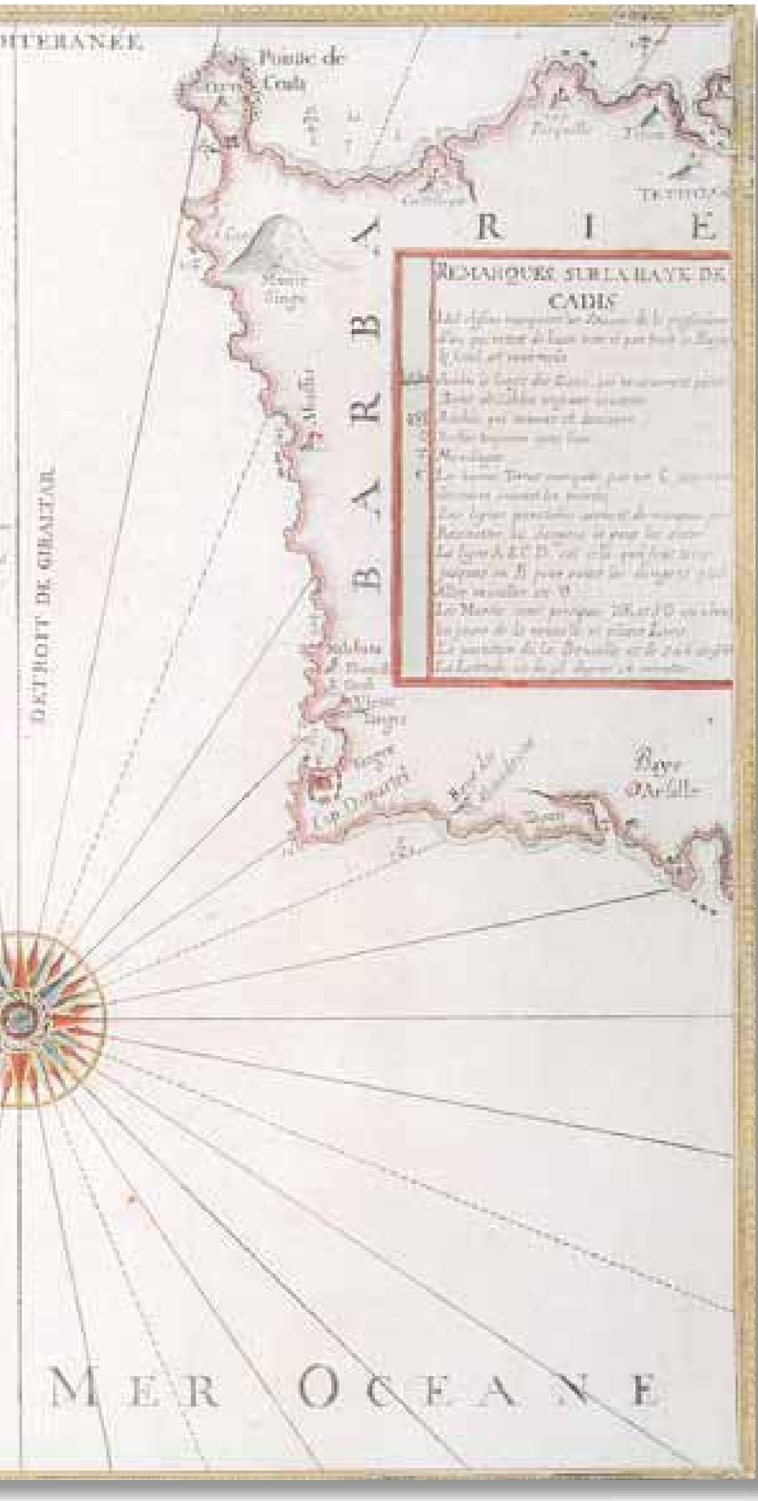
ANNUAL REPORT 2023

ACERINOX

annual integrated

REPORT 2023


NOUVELLE CARTE
DE LA BAYE DE CADIX ET DU DETROIT
DE GIBRALTAR
DEDIEE A MONSEIGNEUR LE CHEUALIER
D'ORLEANS GENERAL DES GALERES DE FRANCE
ESPAGNE
ANDALOUSIA
MER MEDI
BAYE DE GIBRALTAR
GIBRALTAR
TARIFE
Cap Marqual
CONIL
C. TRAFALGAR
Isle de Cadix
PORTO S.t MARIA
Baye de Cadix
GRANDE
PLAINE
DUNE DE SABLES



Índex

Letter from the Chairman

Acerinox, excellence and resilience

Dear shareholders,

It is an honor to address you as I complete my first full fiscal year as chairman of Acerinox with deep satisfaction, responsibility, and gratitude for the trust placed in me.

Throughout this period, I have dedicated my efforts to advancing our company's strategy and to pursuing with determination our firm purpose: to be a global supplier of stainless steel and high-performance alloys as a worldwide leader and driver of the circular economy. This commitment is aligned with our strategy to increase exposure to higher-value-added solutions, with a special emphasis on operational excellence and sustainability.

At all times, I have kept our mission and vision in mind: to create the most suitable materials for each application and the most efficient materials for the future, contributing to the progress of a sustainable society and generating maximum value for all our stakeholders.

Those of us who dedicate our efforts, ideas, and enthusiasm to Acerinox are aware that our Group faces numerous challenges, as well as complex and interconnected risks in a changing and turbulent world. However, we are confident that the landscape of disruptions in supply chains, regionalization, and the revival of the concept of strategic autonomy will open the door to a new economic order that will restore industry to its essential role, both in Europe and in the US.

In managing these circumstances, guided by Acerinox's fundamental values and pillars, we faced what was undoubtedly a challenging year in 2023. The uncertainty arising from the geopolitical environment and the war in Ukraine has been aggravated by the situation in the Middle East. Towards the end of the year, events in the Red Sea, with ongoing attacks on freighters, disrupted maritime trade and diverted the flow of goods from the Suez Canal to longer, higher-cost alternative routes.

In such a complex geopolitical and macroeconomic landscape, we can feel satisfied after having presented 2023 results that show the company's resilience in low cycles and demonstrate the success of our strategy to improve exposure to higher-value-added solutions, taking advantage of the successful acquisition of VDM Metals in 2020. Acerinox closed the year with 228 million euros in net income, 6,608 million euros in revenue, and an EBITDA of 703 million euros.

Difficult circumstances in the European market, where consumption and prices have been heavily affected by the geopolitical situation and pressure resulting from Chinese overproduction, as have stock levels and cost inflation, have challenged us once again to face a paradigm shift in our production and distribution centers by reflecting on the entire chain.

Economic and geopolitical uncertainty has led to inventory reduction, causing a decrease in apparent demand that impacted the Group's operations in 2023. The stainless steel sector continued to see the impact of the stock reduction that began in the second half of 2022, whereas the market for high-performance alloys performed extraordinarily, leading VDM to achieve the best results in its history.

The renewed commitment to the special alloys division, world leader in its sector, with an additional investment of 67 million euros already approved in 2024, and the strengthening of Acerinox's global leadership position in the high-performance-alloys market, demonstrates the success of the strategic decisions made over the past few years.

At the beginning of 2024, we wanted to reinforce our global leadership in high-performance alloys with a new strategic move: a purchase offer for Haynes International, a leading American company in the development, manufacture, and commercialization of technologically advanced high-performance alloys, with significant exposure to the highly strategic aerospace sector.

Haynes will provide our Group with complementary lines of business, research and development capacity, and a highly experienced team. Its integration into Acerinox reinforces our global position in high-performance alloys and will create significant opportunities in the attractive aerospace segment, with strong growth in the US market.

The combination of Haynes, NAS, and VDM forms a strong platform to accelerate growth in high-performance alloys and specialty stainless in North America. Our US subsidiary (NAS) will make an all-cash payment for the acquisition, which already has the unanimous approval of the boards of directors of Haynes and Acerinox.

The operation, valued at 970 million dollars, will be made by the purchase of all outstanding shares of Haynes for 61 dollars per share, in cash. This amounts to a total value of 798 million dollars for all shares of the company and a premium of 22% compared to the weighted average price of Haynes over the preceding six months (until February 2, 2024, the last trading day prior to the announcement of the transaction). As of the date of publication of this report, the transaction is pending approval by Haynes shareholders and regulatory authorities.

Following the acquisition, the Group will reinvest 200 million dollars over the next four years in our combined US business and enhance our exposure to high-value-added solutions and high-performance sectors.

Stock market performance and dividends

Throughout 2023, stock markets have overcome periods of high volatility. The crisis of various US regional banks once again shook the US and European financial system with the collapse of entities such as Credit Suisse and the takeover of Silicon Valley Bank in the United States. However, the major world stock *exchanges ended the year with significant increases. Despite the accelerated tightening of monetary policy, serious ongoing conflicts and other new ones, most exchanges closed the year on a positive note.*

Gains in the major European securities, reflected in the Euro Stoxx 50 and the STOXX Europe 600, stood at 19.1% and 12.7%, respectively, for the whole of 2023. Indices such as the IBEX 35 saw an increase of 22.8%, driven by the banking sector (+28.6%), which benefited from higher interest rates. Closer to the performance of the Euro Stoxx 50 were the German DAX (+20.3%), the Portuguese PSI (+11.7%), and the French CAC 40 (+16.5%). The North American markets, after sharp corrections the previous year, once again began to support world indices, led by the NASDAQ 100. Good proof of this is that in this last index, major technology stocks closed 2023 with increases of 53.8%, due mainly to the seven big technology stocks, which rose by 75.7%.

Acerinox was no exception to these tailwinds that drove the final close of the main stock indices. Our shares ended 2023 with a 15% increase. They reached a maximum on December 28, 2023, at 10.70 euros/share, and a minimum on October 23, closing at 8.80 euros/share. The stock, while below the IBEX 35 average, performed better than competitors. The analysts following Acerinox set an average target price of 13.30 euros/share, representing a potential increase of 25% compared to the end of 2023 (10.70 euros/share). Still, we continue to work to reflect the company's intrinsic value, as we believe we continue to trade at multiples significantly below those that Acerinox deserves.

Governance and leadership in sustainability

Since the company was listed in 1986, shareholder remuneration has been a priority for the Group. In 2023 our shareholders received a total of 150 million euros in dividends, coinciding with the implementation of the remuneration policy. The policy establishes two annual payments as a general rule: one in January and another in July.

On January 27, 2023, we paid shareholders an interim dividend for the 2022 fiscal year of 0.30 euros gross per share, and following approval by the 2023 Annual Shareholders' Meeting, another supplementary dividend of 0.30 euros gross per share on July 17. Consequently, the total payment to shareholders in 2023 was 0.60 euros gross per share, 20% higher than the 2022 dividend. The Ordinary Annual Shareholders' Meeting also approved the redemption of 10,388,974 treasury shares. At its meeting on December 20, 2023, the board of directors agreed to propose a total 2024 retribution of 0.62 euros gross per share at the next Annual Shareholders' Meeting, constituting a 3.3% increase from the previous year.

I would also like to highlight the hard work of the Acerinox board of directors and its committees, and thank all of our directors for their efforts. In 2023, the board of directors met fourteen times. At the Annual Shareholders' Meeting held on May 23, 2023, Ignacio Martin San Vicente left his position as independent director after completing his term as stipulated in the bylaws. Pedro Sainz de Baranda Riva was appointed independent director for a four-year term. Among the most significant governance decisions was the creation and appointment of the position of lead independent director: Donald Johnston.

These are great milestones achieved alongside considerable challenges and emerging risks on the horizon. We cannot say that 2023 has been an easy year, nor can we ignore the significant challenges that lie ahead.

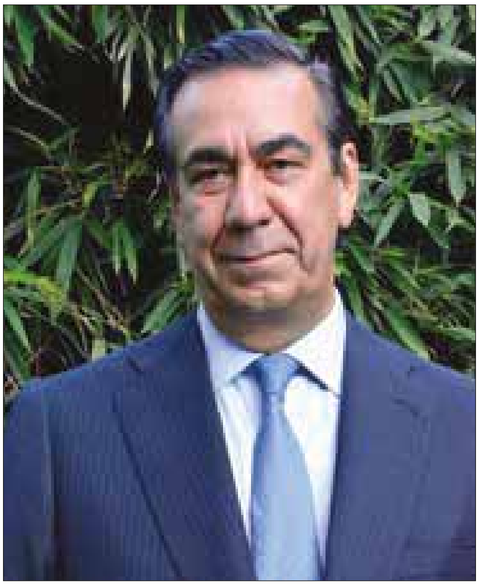
I conclude my message by reiterating my deep gratitude to our 8,229 professionals who live and breathe this Group. I express the same to our customers—whose loyalty drives us to perfect our solutions, products and services—our suppliers, and especially, each and every one of our valued shareholders whose support motivates us to continue working toward Acerinox's growth every day.

Once again, thanks to all who form part of this ambitious project. I am confident that by working together, with the team's experience and professionalism, we will overcome the challenges we face to achieve more ambitious goals and continue to generate value for our stakeholders. We will continue to grow and solidify our presence in the North American market, with the announcement of the purchase of Haynes International and the investments already allocated to NAS. This is a market where we are already leaders in the stainless steel sector and we hope to be able to say the same soon in high-performance alloys as well.

Our company's strength will continue to be built on the solid foundations of your support and commitment. In short, on your trust in our strategic vision as a responsible partner that you can always count on.

Regards
Carlos Ortega
Chairman of the Board of Directors

Letter from the Chief Executive Officer



Dear shareholders,

Once again, I have the honor of addressing you to report on the company's results for fiscal year 2023 and to thank you for the trust you place in Acerinox's senior management team.

This year, our sales of 6,608 million euros constituted a 24% decrease compared to the record year 2022, and our EBITDA decreased by 45% to 703 million. Nevertheless, we consider 2023 a positive year because it is one in which we demonstrated a new level of competitiveness at the low points of the cycle.

These results were possible thanks to our leadership position in the United States, as I will explain later, and our commitment to diversification toward more sophisticated materials, a process that we began with the acquisition of VDM Metals in 2020. VDM made a record profit last year, thanks to the good situation in the high-performance-alloys sector, driven by investments in the oil and gas, chemical processes, and aerospace sectors. Both this company's earnings and the successful integration process underscore the soundness of this transaction, which opens doors for us to continue investing in this sector and strengthen our position as the manufacturer with the widest range of corrosion- and temperature-resistant alloys on the international market.

In my long history at Acerinox, I cannot remember seeing such a negative cycle as this in the stainless steel sector, with 20% drops in apparent consumption in our main markets, the United States and Europe.

To explain this situation, we must recall the raw materials supercycle that began in mid-2020 and lasted until mid-2022, the so-called "bullwhip effect," caused by the desire of all market players to replenish stocks throughout the supply chain, which prompted intense activity in factories and a disproportionate increase in imports. This process came to an end in the second quarter of 2022, when Western governments announced measures to curb inflation, even at the cost of causing a controlled recession.

From that moment on, stocks, which were considered insufficient for the expected sales volume, became very excessive, rapidly changing the dynamics of the market and causing new purchases to crash, and with them, production in our factories. We have to go back to 2009 to see a steel production below 2 million tons within the Acerinox Group—more specifically, 1.95 million.

These circumstances occurred in practically all markets across the world, with the exception of China, which was the only country that continued to increase production at its factories despite the situation. This slowed the process of inventory reduction and caused an unprecedented fall in prices that affected mostly Asian markets, but also the European one. This is further proof that this country follows different dynamics than those of market economies.

While the evolution of our main markets was very similar to that described in terms of sales volumes, the same was not true of price behavior.

In the United States, the 25% tariff imposed under Section 232, coupled with our customers' preference for regular, reliable, and close supply, allowed us to undertake the stock regularization process without drama and without losing stability. It is true that the United States has made a firm commitment to its industry, and the measures adopted to that end are proving effective.

In Europe, on the other hand, as we have stated on multiple occasions, the safeguard measures are inefficient in down markets, and we were invaded by a flood of imports at very low costs, reaching the lowest prices in our history. If we add high energy costs, rigidity of the labor market, and overregulation to this scenario, one can understand why European industry is lagging behind those of other major markets. The European Commission, by sticking to the measures allowed within the framework of the World Trade Organization, and remaining alone in this endeavor, is weighing down industrial activity and allowing unfair competition from other countries. Acerinox and industry associations have been continuously denouncing the disadvantage that we have been suffering for years. Let us hope that now, as this distress is spreading upstream to such important sectors as the automotive industry, there will be a profound reflection that will make it possible to reverse the current situation within the industry and the loss of investments and jobs.

It is clear that the geostrategic environment is changing. The March 2024 report by the Real Instituto Elcano, "The European economic model amid the return of geopolitics: diagnosis and proposals for reform," says: "In the world prior to the Global Financial Crisis, the EU focused on promoting change through trade, encouraging geopolitical convergence by means of economic interdependence. That world—transformed by the COVID-19 pandemic, the crisis stemming from the Russian invasion of Ukraine and growing Sino-US rivalry—no longer exists. In the current geopolitical scenario, interdependence has turned into a double-edged sword, and hard-to-quantify concepts such as strategic autonomy and economic security have emerged."

I would like to add a couple of thoughts. First, that the change began prior to the pandemic and originated in the United States, when the country became aware of its dependence on other countries for strategic supplies and technologies, as well as the associated loss of industrial jobs.

Second, that not only countries, but also companies, have learned the need to diversify and bring the origin of their supplies closer to home. This is not only because of the factors mentioned in the report, but *also because of those related to global maritime traffic, such as ship breakdowns in the Suez Canal, water scarcity in the Panama Canal, lack of safety on the Red Sea, and the reduction of Scope 3 emissions, which are those emitted at the place of origin and during transport.*

As I mentioned in my letter in the 2022 report, this new geostrategic framework inevitably leads us toward a process of deglobalization, undoing a situation where we may go too far.

At Acerinox, we are very aware of this and we are concentrating our strategy on our main markets, not only the United States and Europe, but also South Africa, as we await the awakening of the African continent, in which we hold close to 50% market share.

Added value: The differentiator

Likewise, we are convinced that we must move toward the manufacture of more sophisticated materials adapted to the needs of the most demanding customers as the best solution to shield ourselves from overcapacity in Asian countries. This applies especially to China and Indonesia, the latter of which recently made a quick rise to the ranking of the main producers thanks to investments by companies that are also Chinese. In addition, we are promoting research to develop, together with our customers, stainless steels and high-performance alloys that best suit each application, completing our product range with super stainless steels and steel grades developed to meet today's needs and tomorrow's industry applications. In this way, we seek to differentiate ourselves from standard products, offer the broadest product range in the sector, and achieve greater added value in our activities.

Added value is one of the pillars of our business model and our strategic plan. This and excellence in operations are built on our financial strength and our commitment to sustainability and the circular economy.

Beyond Excellence: A new boost to competitiveness

Through initiatives such as Beyond Excellence, we continue to recognize the importance of increasing our competitiveness, while minimizing the environmental impact in the areas in which we operate through efficiency.

The new plan, launched in 2023, aims precisely to boost competitiveness, enhance operational excellence, and promote a culture of continuous improvement and innovation across the organization. Its foundation is based on six pillars: decarbonization, efficiency, development of special alloys, productivity, supply chain, and putting the customer at the center of our activity in all of the above.

This program, which will run between 2024 and 2026, will help to improve the Group's earnings by an estimated 100 million euros thanks to the combination of cost reductions, revenue improvements, and promotion of a culture of continuous excellence and innovation across the organization.

For 2024, we have identified new projects focused on key business areas, such as improving quality and performance in the production of high-value-added steels, optimizing the use of recycled materials as the main raw material, increasing production line availability through digitalization, implementing predictive quality and maintenance systems to anticipate problems, improving energy and consumable efficiency with consequent emission reduction, and minimizing and recovering waste generated throughout the process. We hope that these projects will generate a financial impact of 45 million euros throughout the year and that they will allow us to move forward to close the cycle of the circular economy.

We use recycled materials to produce stainless steels and high-performance alloys that are durable and eternally recyclable without losing their characteristics. By recovering our waste, we are without a doubt the paradigm of the circular economy.

Pursuing leadership in sustainability

Acerinox will continue to promote its firm commitment to sustainability and the values included in the ESG terms.

We efficiently manufacture stainless steels and high-performance alloys with a respectful approach and we are committed to a responsible management model that helps protect the planet, reduce inequalities, and promote a more prosperous and sustainable world.

For another year, our commitment to sustainability has earned the highest international recognition, validating and supporting our goal of creating the most efficient materials for the future, generating a positive impact. For the second year in a row, we earned the EcoVadis Platinum Medal, the highest corporate sustainability rating in the assessment of corporate social responsibility within global supply chains.

This year, Acerinox's overall score was 82 points, placing us in the 99th percentile, at the top of the sector, and surpassing the score we received last year (79 points). The assessment includes 21 sustainability-related criteria divided into four main categories: environment, labor and human rights practices, ethics, and sustainable procurement. In 2023 we also joined the Together for SDGs initiative, raising the flag of the United Nations Sustainable Development Goals (SDGs).

The foundation: Financial strength

All of our ambitious goals rest on the foundation of our traditional financial strength. Only three years after acquiring VDM Metals, and at the bottom of the stainless steel cycle, we have returned to debt ratios of only 0.49 times EBITDA.

This good health has allowed us to take on new challenges for growth, both organic and inorganic, and to continue increasing shareholder remuneration. We have proposed to the Annual Shareholders' Meeting the distribution of a dividend of 0.62 euros per share, an increase of 24% in two years.

At the end of 2023, we announced the approval of a new expansion phase for our subsidiary North American Stainless (NAS), the largest integrated stainless steel factory in the United States, which will strengthen its position to support the growth of this market. It will do so thanks to digital solutions and investment in new equipment, which will allow a gradual 20% increase in capacity over the next four years, on which we will spend 244 million dollars.

In addition, in 2024 we announced the expansion of VDM Metals, the Acerinox Group's high-performance-alloys division and a world leader in its sector. Through a 67-million-euro investment, it will be able to increase sales by 15%, also doing so gradually. Among the new equipment is a second atomizer for the production of stainless steel and high-performance-alloy powders for use in additive manufacturing. This will increase our product range by bringing even more solutions to the market and betting on high-tech solutions.

Finally, thanks to the successful integration of VDM Metals and the creation of a platform in Europe for the sale of flat and long products made of corrosion- and high-temperature-resistant materials, we wanted to replicate the model in the United States through the offer made for the acquisition of Haynes International, a leading American company in the development and manufacture of high-performance alloys with a high technological component. This transaction, which at the date of publication of this report is pending approval by Haynes shareholders and regulatory authorities, would be carried out through a cash acquisition by North American Stainless.

The offer involves a total enterprise value of 970 million dollars for Haynes. According to the terms of the transaction, which has the unanimous approval of the boards of directors of Haynes and our Group, Acerinox will purchase all outstanding shares of Haynes for 61 dollars per share in cash, amounting to a fully diluted equity value of 798 million dollars.

The transaction also includes Acerinox's commitment to invest 200 million dollars over the next four years to modernize the facilities and exploit significant synergies estimated at more than 71 million dollars annually.

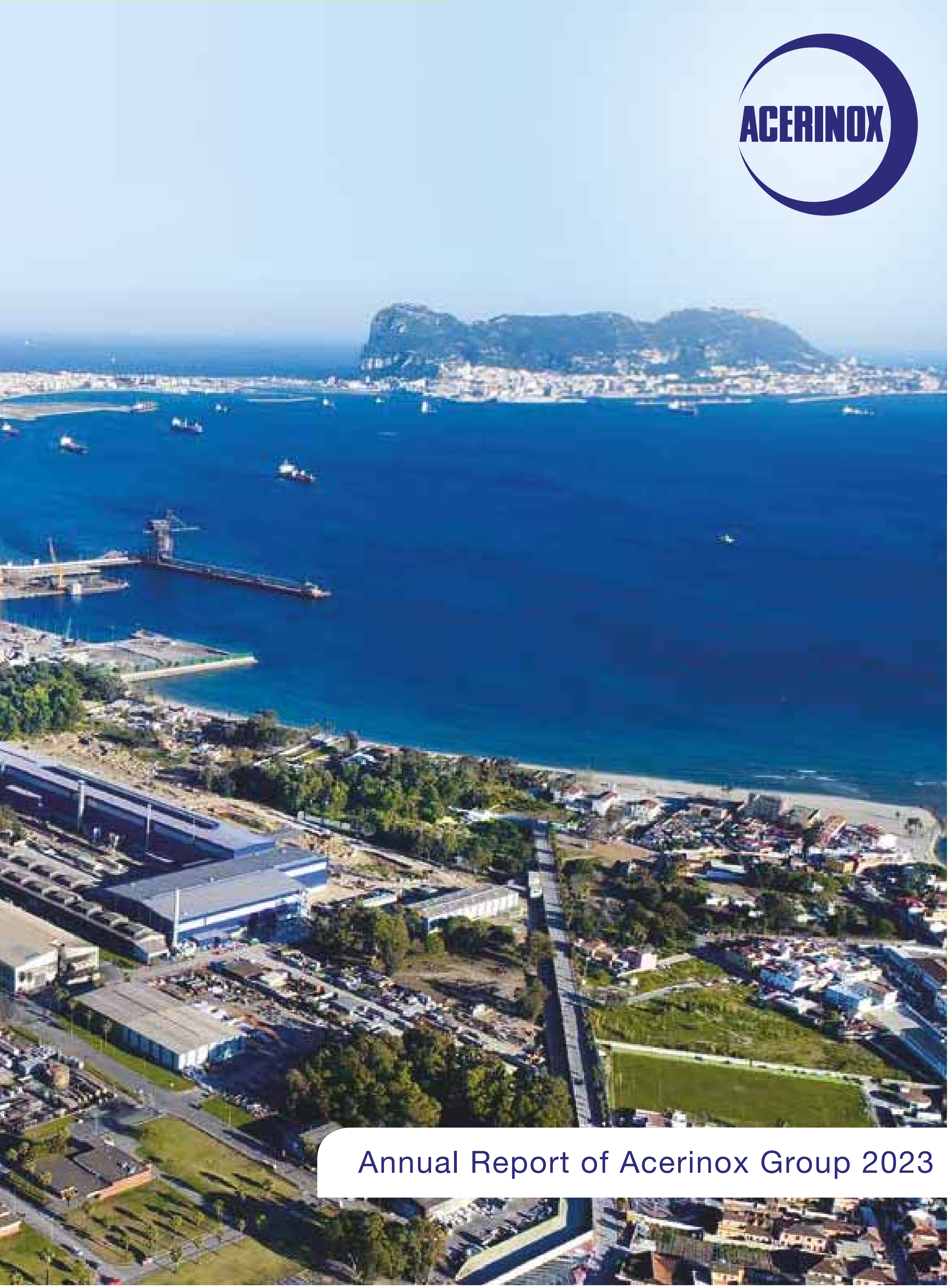
In short, we can affirm that Acerinox is in a great moment and that we have one of the clearest and most exciting strategies in the sector. We are confident that all these plans will be implemented successfully and will allow us to generate great value for our shareholders and other stakeholders. They can count on the experience, dedication, and commitment of all of us who form part of the Group to achieve this. Once again, I must express my gratitude to all the members of the Acerinox family, who by their example encourage us to continue to improve. I can only feel privileged to continue working for this great company, which continues to excel year after year thanks to the good work and involvement of all the people who make it up.

I conclude my message by reiterating my thanks to all those who make our work possible: customers, suppliers, and, above all, to our shareholders for their support and trust, which motivates and encourages us. All of them will continue to find in Acerinox a responsible partner they can rely on. The company is prepared and maintains its strength and ability to move forward with the same spirit and ambition that has always defined it.

Bernardo Velázquez
Chief Executive Officer
April 2024

Bridge made with Stainless Steel in Singapore

Acerinox Europa Factory, Campo de Gibraltar (Spain).



Annual Report of Acerinox Group 2023

1. Business model

Business model and value creation

13
Factories

20
Service centers

26
Warehouses

57
Sales offices

22
Commercial agents

61
Countries in which the sales network operates

Global presence

Sales in **79 countries**

8,229 employees

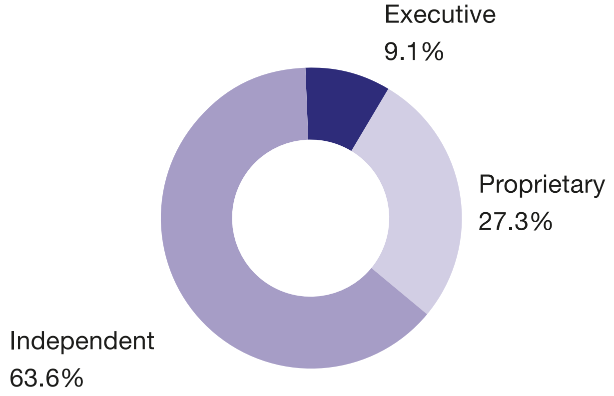
Customers

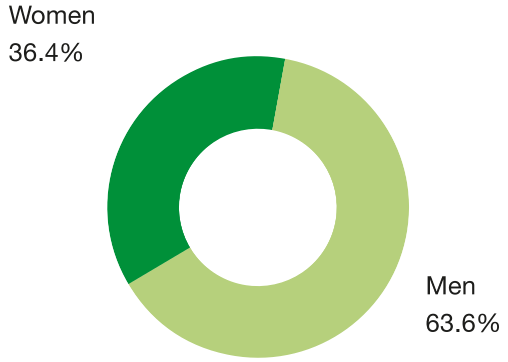
11,864

Acerinox's factories have
more than 120
quality certifications

Acerinox Europa Factory, Campo de Gibraltar (Spain)

Board of directors





63.6%
Independent directors

34
board committee meetings

14
meetings held by the board of directors

Economic performance

6,608
EUR million
revenue

228
EUR million
net income

703
EUR million
EBITDA

341
EUR million
net financial debt

481
EUR million
operating cash flow

Our shares

249,335,371
shares

150
EUR million
dividend

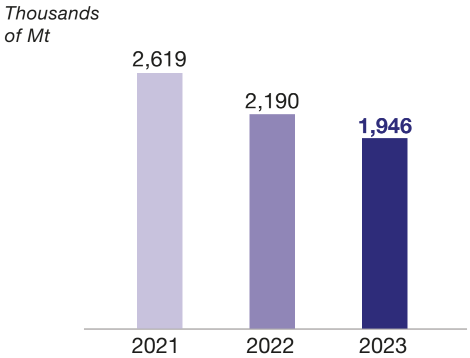
2,657
EUR million
Market capitalization

EUR 10.66/share
share price at year-end

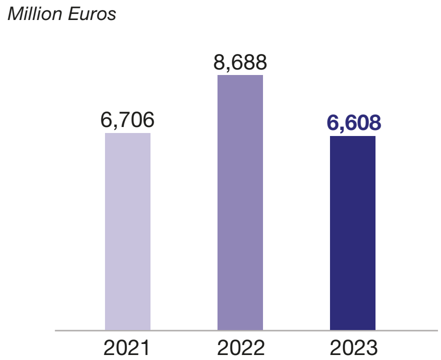
EUR 62,333,842.75
share capital

Key indicators - Performance in figures

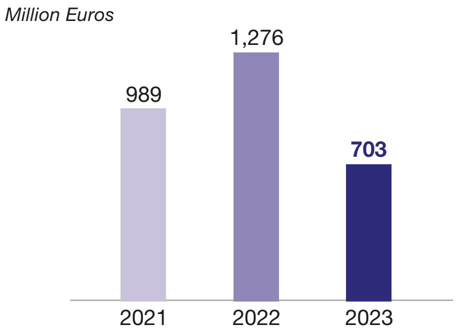
Melting shop production



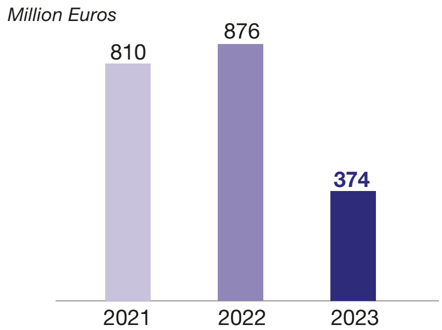
Turnover



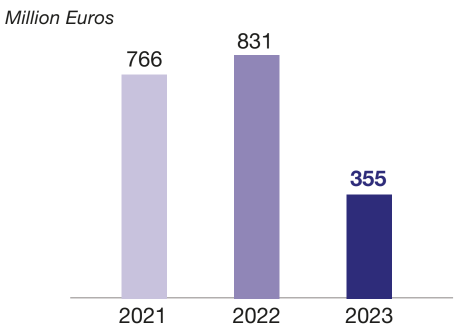
Operating income E.B.I.T.D.A.



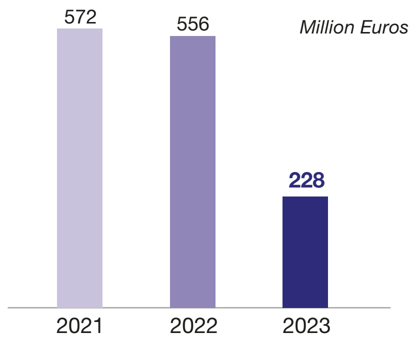
Net operating profit E.B.I.T.



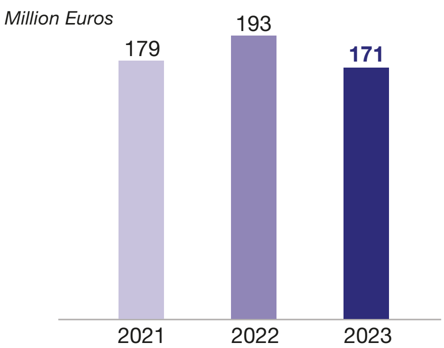
Profit before tax



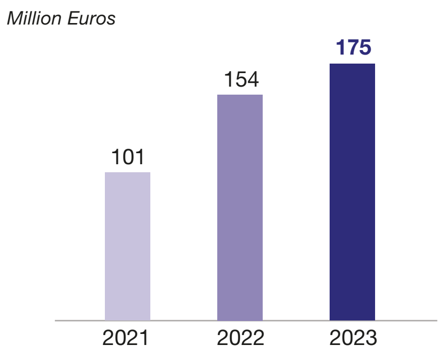
Net profit



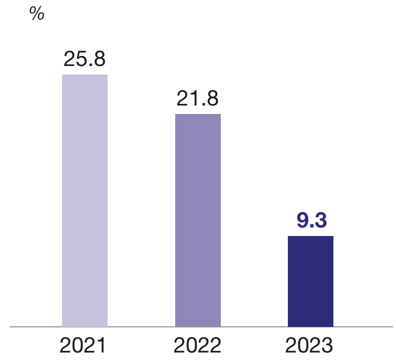
Depreciation and amortization



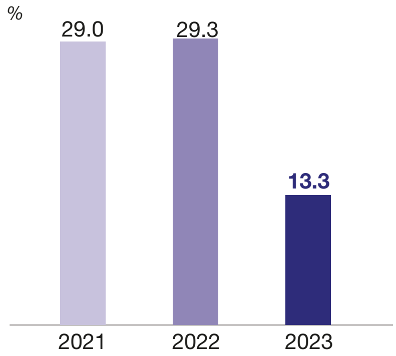
Investments



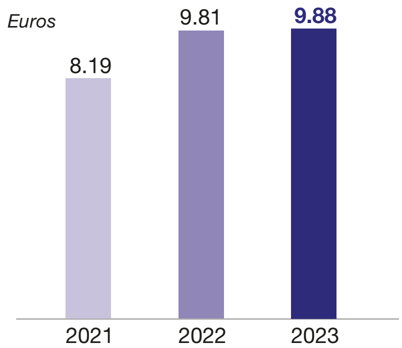
R.O.E.



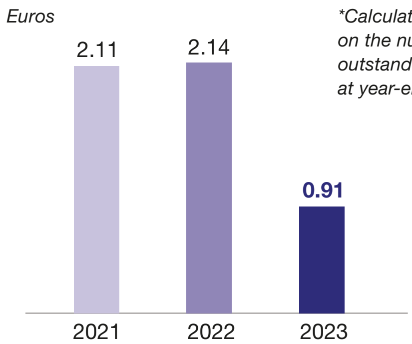
R.O.C.E.



Book value per share

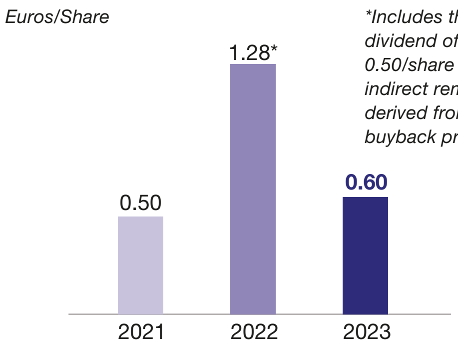


Earnings per share*



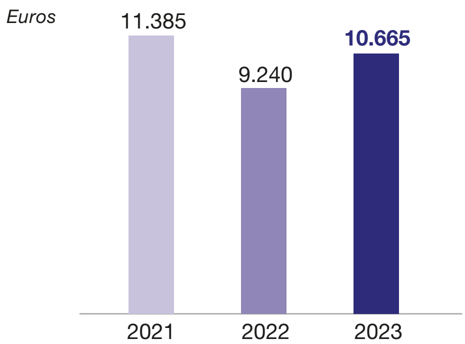
**Calculated based on the number of outstanding shares at year-end*

Shareholder remuneration per share

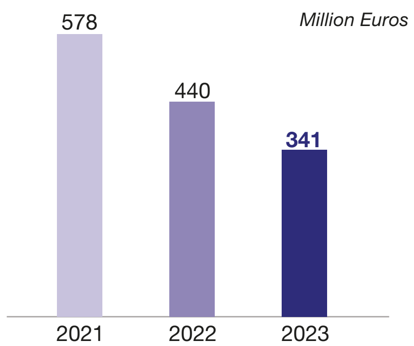


**Includes the ordinary dividend of EUR 0.50/share and the indirect remuneration derived from the share buyback program*

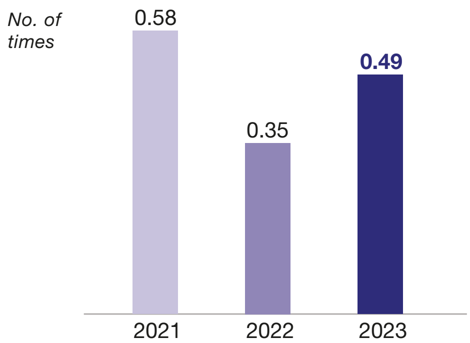
Share price at end of fiscal year



Net financial debt



Net financial debt /E.B.I.T.D.A



Production volume

1,869,417
metric tons of stainless steel

76,288
metric tons of high-performance alloys

More than 18,000 combinations
The widest range of products and solutions

Products for all areas

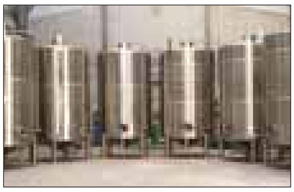

Transport


Industrial and engineering equipment


Electrical appliances and hardware


ABC and infrastructure


Energy and environmental technology


Food sector


Aeroespace

Purchases from suppliers
4,967
EUR million

79 % of suppliers are local
(from the same country as the production center)
We promote the development of local communities in which the Group operates

Digitalization and innovation

EUR 17.6 million
digitalization and innovation
investments and expenses

Main R&D&i lines

- Research to improve quality.
- Technological development.
- Development of new types of steel and finishes.
- Investments to optimize the circular economy.
- Production line improvements.
- Digitalization, automation and control of the production process.
- Investment in climate change mitigation.

'Excellence 360°' strategic plan

Comprehensive view of the business

- **Raw material purchases:** optimize the mix. Predictability of consumption, raw materials and consumables.
- **Production:** increase reliability and competitiveness.
- **Supply chain:** optimize inventories and delivery processes.
- **Sales:** focused on providing added value and improving margins. Demand planning.

Stainless steel tanker truck made with SS supplied by North American Stainless (NAS)

Commitment to sustainability

Contribution of sustainability to the business strategy

The Sustainability Plan, Positive Impact 360°, responds to one of the main areas of Acerinox's strategy, which identifies sustainability as one of its fundamental lines of action and includes five pillars.

Ethical, accountable, and transparent governance

Committed team, culture, diversity, and safety

Eco-efficiency and climate change mitigation

Supply chain and community impact

Circular economy and sustainable products

Positive Impact 360° responds to the ESG risk and materiality analysis carried out based on the Group's strategy. It identifies the levers of value generation and establishes long-term objectives to make these levers a reality.
Acerinox has established **six sustainability objectives** with a view to 2030 associated with the pillars of the Positive Impact 360° Plan.

Pillar	2030 targets**	Degree of progress	2023 vs 2022
	20% reduction in CO_2 emissions intensity (Scopes 1 and 2) compared to 2015.	-11% vs 2015	-3%
	7.5% reduction in energy intensity compared to 2015	8% vs 2015	6%
	20% reduction in water withdrawal intensity compared to 2015	-18% vs 2015	-3%
	90% waste recycled	80%	1%
	10% annual reduction in LTIFR	–	-24%
	15% women at the organization	13.28%	0.37%*

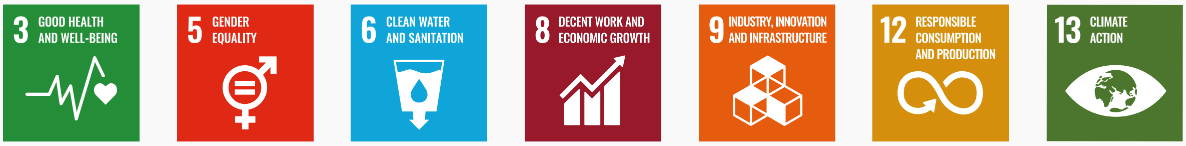
** Increase in the percentage of women on staff compared to the previous year.*

*** Carbon intensity, energy intensity, water withdrawal intensity and % waste recycled targets were set for the stainless steel division only. In 2024, they will be extended to the Group level.*

The Group seeks to reduce, reuse, and recycle as many of the resources used as possible to establish a more sustainable production model.

Committed to the United Nations 2030 Agenda

The Group identified the Sustainable Development Goals to which it can make the biggest contribution.

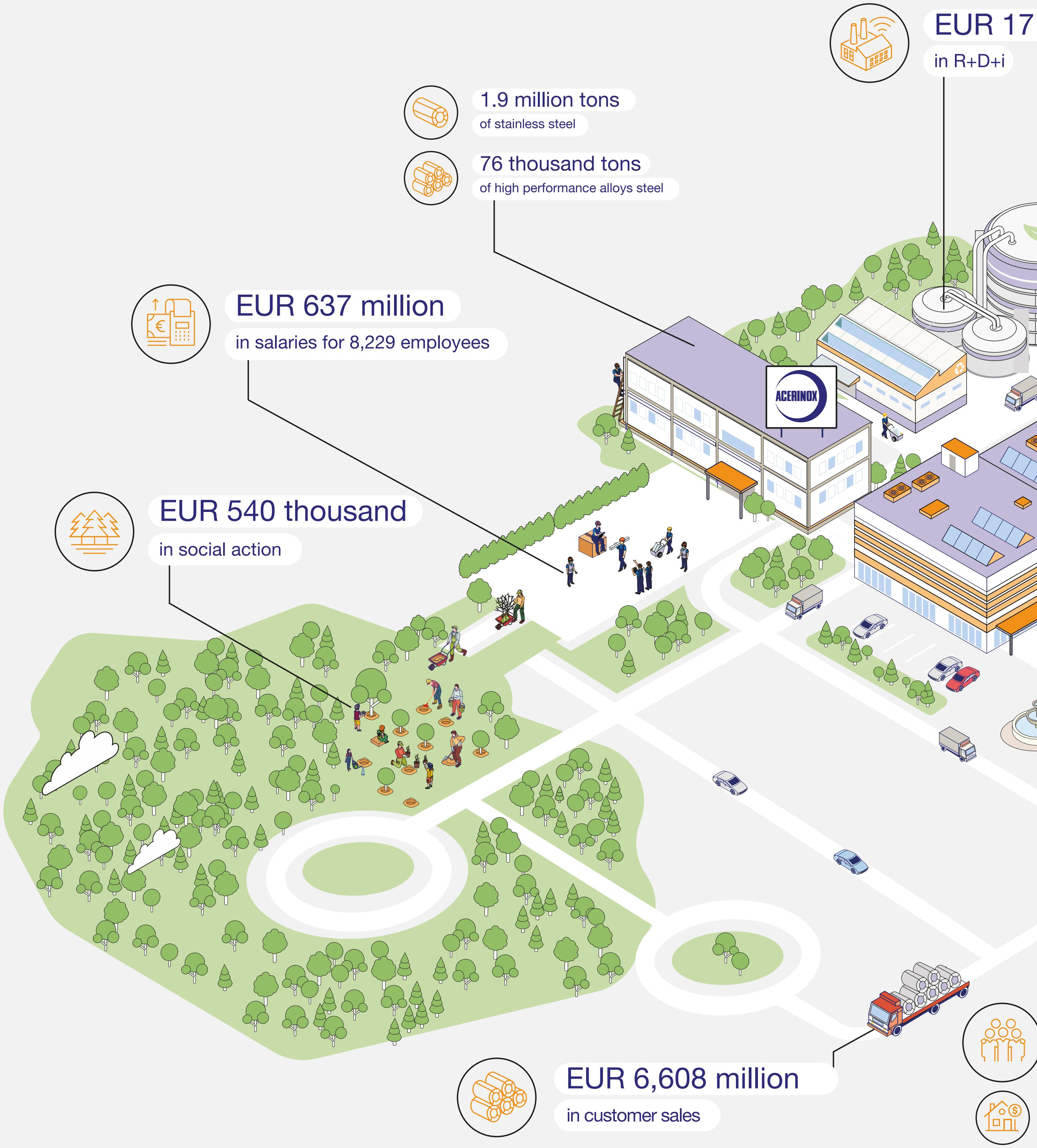


Recognitions

Acerinox received, for the second consecutive year, the EcoVadis Platinum Medal for its performance in sustainability and two gold awards, one in sustainability and one in safety, at the Annual Stainless Steel Industry Awards.

worldstainless

1.1 Value creation



11,864 customer

to those we sell

.6 million

EUR 175 million

in investment in fixed assets

EUR 150 million

in dividends

EUR 233 million

in taxes

EUR 4,967 million

of spending in suppliers

79% are local suppliers

1.2 About the Group

The Acerinox Group is the world's most global manufacturer and distributor of stainless steel and high-performance alloys; present on all five continents, it is a market leader in the US and Africa, as well as one of the industry's best-positioned companies in Europe. The Group has an international sales network made up of 20 service centers, 26 warehouses, 57 offices and 22 sales representatives, thanks to which Acerinox distributes in 79 countries.

Acerinox's stainless steel factories are located in Campo de Gibraltar, Ponferrada and Igualada (Spain), Ghent (Kentucky, US), Middelburg (Mpumalanga, South Africa) and Johor Bahru (Malaysia). The Group also has high-performance alloys plants, which are located in Unna, Duisburg, Siegen, Werdohl and Altena (Germany), and in New Jersey and Nevada (US).

Acerinox's mission, vision and values guide the entire company towards its purpose: creating the most efficient materials for the future, maximizing societal benefit and creating value for its stakeholders. In its wide range of solutions, Acerinox Group, a leader in circular economy, offers more than 18,000 possible combinations. These are used in industries such as transportation, construction, energy and environmental technology, and food service, thanks to their corrosion resistance, durability, versatility, mechanical properties, aesthetic beauty, and low maintenance requirements.

At December 31, 2023, **the majority shareholder of Acerinox was Corporación Financiera Alba (19%)**

20

Service centers

26

Warehouses

57

Sales offices

22

Commercial agents

61

Countries in which the sales network operates

Service Centre in Langenfeld (Germany)

1.3 Parent

Acerinox S.A. is the Group's holding company, which establishes and monitors the strategic lines of business. It also provides corporate services such as legal, accounting and consulting, and is responsible for the management and administration of Group financing.

The head office, with 114 employees, is located in Madrid, and is where the main decision-making and management bodies convene.

Acerinox's shares are listed on the continuous market and the company is part of the selective Spanish IBEX 35. Approximately 45,000 shareholders, including individuals and legal entities, own stock in the company.

At December 31, 2023, Acerinox's share capital consisted of 249,335,371 ordinary shares with a nominal value of EUR 0.25 each.

Acerinox, S.A. Head Office in Madrid

1.4 Production companies

Stainless Steel

Acerinox Europa

1970

Campo de Gibraltar (Spain)

1,746 employees

Fully integrated flat product factory. Its melting shop production totaled 550,162 metric tons

North American Stainless

1990

Kentucky (US)

1,606 employees

Fully integrated flat- and long-product factory. Its melting shop production totaled 841,821 metric tons

Columbus Stainless

2002

Middelburg (South Africa)

1,248 employees

Fully integrated flat product factory. Its melting shop production totaled 477,434 metric tons

Bahru Stainless

2009

Johor Bahru (Malaysia)

427 employees

Bahru has cold rolling lines, which processed 77,181 metric tons

Roldán S.A.

1957

Ponferrada (Spain)

361 employees

44,479 metric tons of hot-rolled products

Its product portfolio includes bars, wire rods, angles, hexagonal bars and reinforcement bars, all of them flat products.

Inoxfil S.A.

1989

Igualada (Spain)

96 employees

5,502 metric tons produced

Manufactures stainless steel wire

High-Performance Alloys

VDM Metals

2020

Unna, Duisburg, Siegen, Altena & Werdohl (Germany).
New Jersey & Nevada (US).

2,047 employees

76,288 metric tons produced

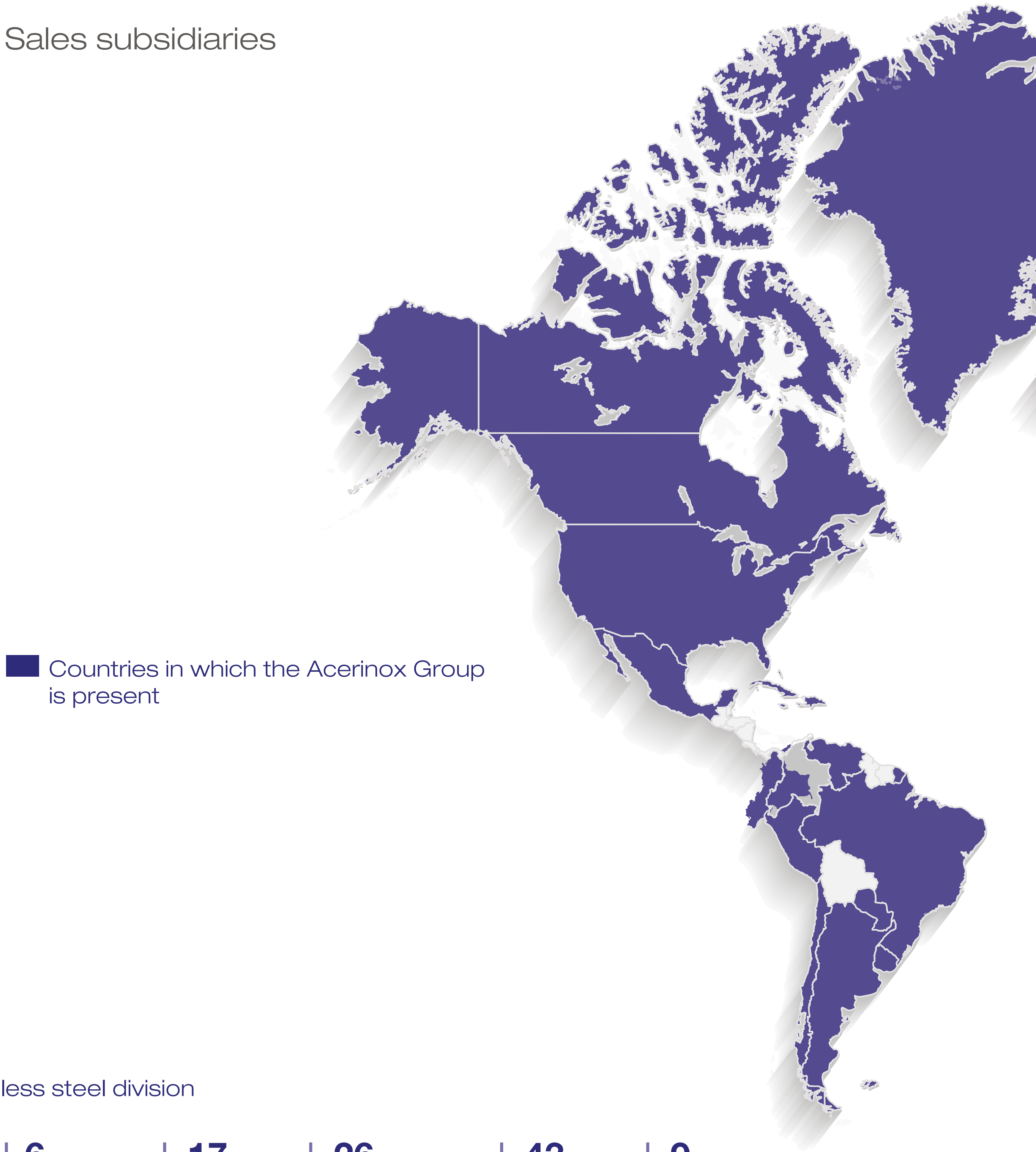
Global leader in the production of nickel alloys and high-performance alloys, with five factories located in Germany and two in the US.

Eco-efficient products

Our products contribute to:

- Circular economy.
- Offering durable materials.
- 100% recyclable alternatives.
- Systems to reduce emissions.
- Improving quality of life with a lower environmental impact.

1.5 Sales subsidiaries



Stainless steel division

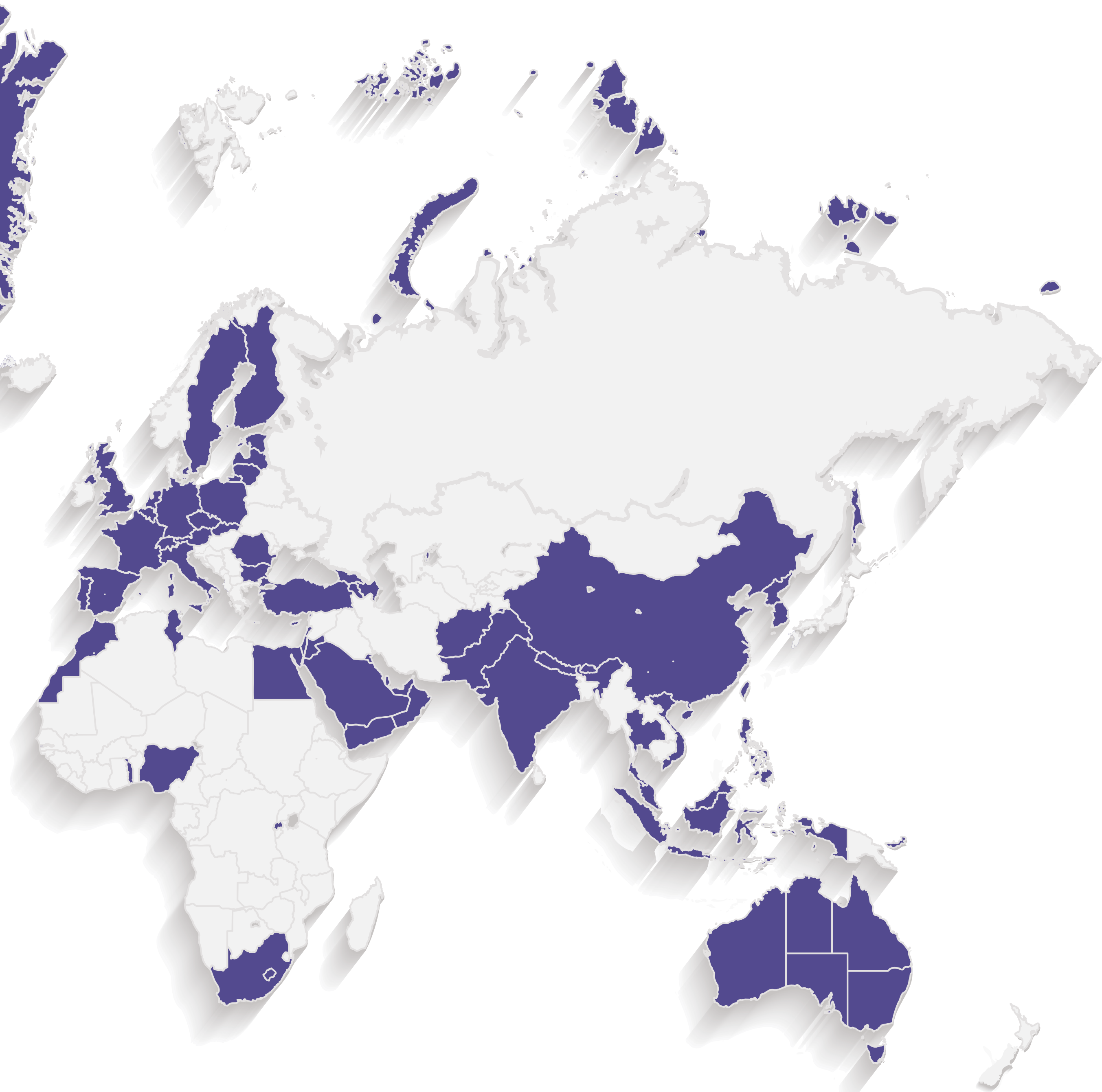
6 Factories

17 Service centers

26 Warehouses

43 Sales offices

9 Agents



High-performance alloys division

7	3	14	13
Factories	Service centers	Sales offices	Agents

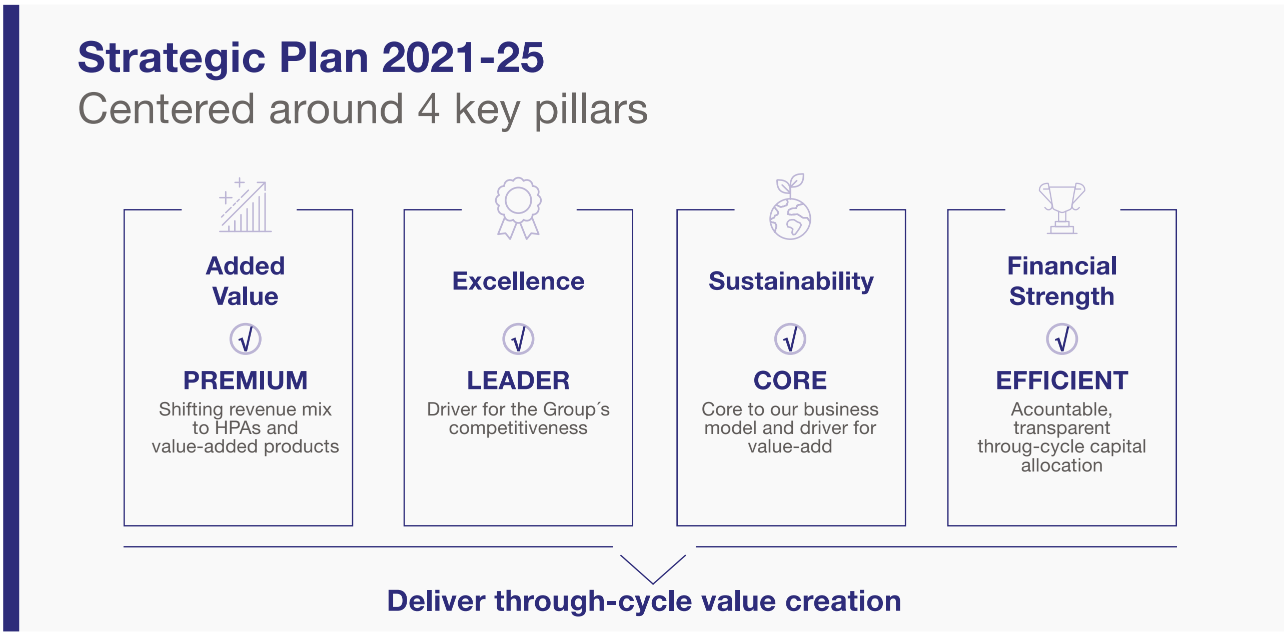
2. Strategy

2.1 Strategic plan

Acerinox continues to successfully advance in the implementation of its strategic plan 2021-2025.

The deployment is based on the Group's vision: to become a global supplier that responds to present and future needs by offering the widest selection of materials, solutions and services. As a leader and driver in circular economy, Acerinox efficiently manufactures stainless steels and high-performance alloys with a focus on respect and committed to the environment.

The strategic plan is based on four pillars that support short-, medium- and long-term initiatives.



Strategic pillars

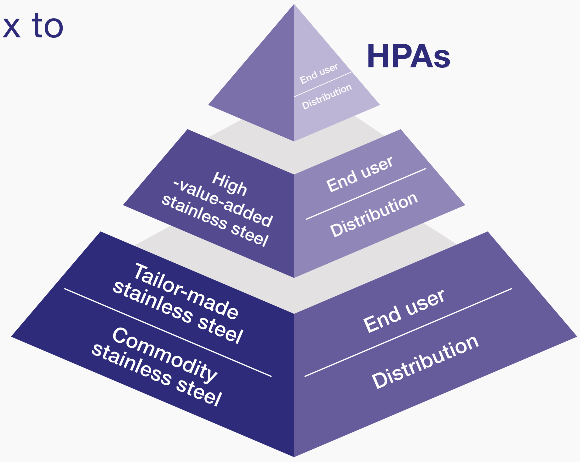
• **Added value.** In 2023, Acerinox strengthened its market presence by standing out from the competition through the evolution of its portfolio. The development and expansion of products and solutions towards high-performance alloys in the US, Europe and South Africa was particularly significant.

• **Excellence.** This is one of the values that directs the rest of the pillars and acts as a lever for competitiveness. The Group always offers the highest standards of excellence, balanced with cost management and with an overall positive impact on operations.

• **Sustainability.** This is the fundamental axis underpinning the Group's business model, based on circular economy. Sustainability enables the integration and cohesion of the other pillars.

• **Financial soundness.** Financial soundness guarantees shareholder remuneration and ensures our commitment to generate sustainable cash flow while maintaining a low level of indebtedness that allows us to face any cycle.

We are changing our sales mix to include more **HPAs** and **value-added products**



Key milestones 2023

NAS expansion project

EIn line with Acerinox's commitment to high-value-added products and performance, the Group gave a boost to its US factory, North American Stainless (NAS), one of the most efficient in the world.

During 2023, the contracting process for equipment and construction work began; this will generate 70 new jobs as part of a US$244 million investment.

The expansion project includes the modernization of the annealing and pickling lines, the addition of a new cold rolling mill and the expansion of the melting shop, which will include a 400 metric ton crane, as well as the development of digital solutions that will increase production capacity by 20% to 200,000 metric tons.

ZM-3 Cold Rolling Mill at the NAS Plant

VDM expansion project

VDM Metals' leadership in the high-performance alloys industry has been strengthened by a EUR 67 million investment in its German plants in Unna, Altena and Werdohl, which will gradually increase its production capacity of precision strip, bars, and wires, as well as increasing sales by 15%.
Projects include the expansion of three remelting furnaces, the upgrade of an annealing and pickling line, and another defect detection line for bars.

Second powder atomizer

Another focus of the project is the addition of a second powder atomizer plant, used for additive manufacturing (3D printing, used in many areas of high-demand industrial production). VDM Metals enjoys great recognition in this sophisticated format, where it will double its production capacity.

This investment is significant not only because it reflects the Group's strengthened R&D activity, but also because it underscores its innovative vision, given that the market in metal powders for additive manufacturing has double-digit growth potential.

Exploiting synergies with the high-performance alloys division

The investment made in the VDM facilities at Werdohl and Acerinox Europa (Campo de Gibraltar) will enhance synergies in the production of high-performance alloys and increase the range of products available.

VDM Mill in Werdohl (Germany)

Looking to the future: Beyond Excellence 24-26

The Acerinox Group continues to promote excellence through its Beyond Excellence program. The new Excellence Plan will be implemented at all Group factories, carrying out projects between 2024 and 2026 with the aim of reaching EUR 100 million in EBITDA by 2026.

The purpose of this plan is to improve all areas of the supply chain and to boost the Group's global competitiveness by implementing projects aimed at continuous improvement and adaptability centered on digital transformation, interdisciplinary collaboration, and a commitment to innovation using a holistic approach.

Beyond Excellence is based on six pillars: decarbonization, productivity, quality, efficiency, purchasing optimization, and new product development.

With specific targets for each, during 2024, we will work along the following lines:

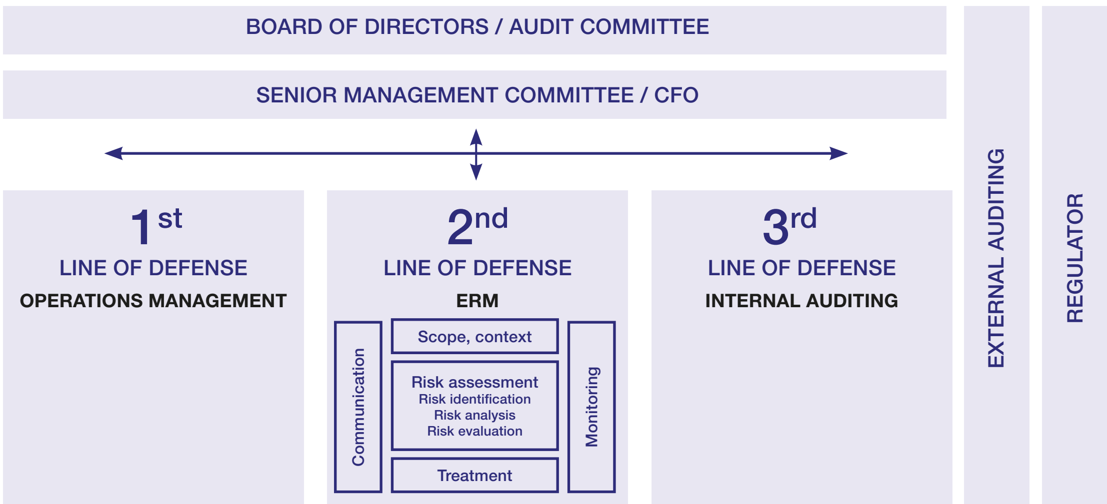
- Increasing quality and in the production of high-value-added steels.
- Optimize the use of scrap as the main raw material.
- Increasing equipment productivity through digitalization.
- Using predictive techniques to improve the quality and maintenance of equipment and processes.
- Refining energy efficiency resources and consumables, which will result in reduced CO2 emissions.

As an added value, Beyond Excellence aims - in line with the management by objectives philosophy - to deepen the culture of continuous improvement and innovation at all levels of the organization.

2.2 Risk Management

Acerinox has implemented a risk management model backed by the board of directors and senior management. It aims to identify, evaluate and mitigate the risks inherent to the sector in which it operates, as well as their impact on the Group's financial goals and strategic objectives to the continued benefit of its stakeholders.

Acerinox recognizes its exposure to risks of various types and natures, which may affect both its financial and non-financial results. The identification and effective management of these risks is key to business success. To this end, the Company has implemented an Enterprise Risk Management (ERM) program aligned with the COSO ERM framework, covering all of the Group's business areas and overseen by the Board of Directors:



Main risks

The Group's ERM model establishes a risk management methodology aimed at simplifying, unifying and homogenizing risk assessment across the Group's companies. The risk taxonomy is divided into six categories. The main risks within each category are detailed below, as well as the most important measures or plans designed to mitigate them:

Category	Main risks	Main responses
External	Economic cycles	Strategic Plan and Beyond Excellence underway at the Acerinox Group
	Geopolitical	Constant global monitoring to mitigate and/or anticipate economic impacts and potential supply chain disruptions
	Trade barriers and competitiveness	Monitoring of global trade and geopolitical trends with an active presence in the main local and international organizations and institutions
ESG	CO2 emissions	Concrete plans to reduce CO2 and improve efficiency
	Energy	Energy efficiency plans for each facility
	Health and safety	Preventive maintenance programs, safety awareness campaigns, training plans
	Climate change	Decarbonization plan. Implementation of energy efficiency measures, increased use of renewable energies and greater use of sustainable fuels

Hong Kong-Zuhahi-Macao Bridge made with Stainless Steel Rebar supplied by Roldan, S.A.

Financial	**Raw material price volatility**	Alloy surcharge mechanisms and/or, if applicable, financial hedges to try to minimize the impact of the volatility of the main raw materials (nickel, chrome, etc.)
	Macroeconomic, market and third-party insolvency variables	Partially insure the risk through financial hedging mechanisms and commercial credit insurance policies. There is an internal commercial credit risk management instruction as well as a global Commercial Risk Committee
Technological	**Cybersecurity**	The company added a Global CISO in 2023. Reporting to the CEO, the CISO will lead the deployment of the cybersecurity strategy. The Cybersecurity Master Plan is underway; this will increase our protection capacity and improve our response to potential threats
Operational	**Supply chain. Availability of raw materials / basic supplies**	Reduction of specific consumption. The Group strives to maintain adequate stability in the supply chain, monitoring the quality and reliability of the main suppliers of raw materials, such as nickel and chrome, as well as the other basic supplies necessary to ensure the continuity of our production process
Strategic	**Strategic plans**	Regular review of climates and variables that may affect the achievement of strategic plans

Emerging risks

The Group is exposed to many complex, interconnected risks, conditioned by changes in the business context of a globalized, changing world in turmoil. In this context, in addition to the risk taxonomy, Acerinox pays attention to emerging risks, understood as new or unforeseen risks that have not yet been considered or whose potential damages or losses are not fully known.

Emerging risks, uncertain by nature, are a challenge to identify, assess, and mitigate. In this regard, Acerinox monitors global megatrends and the development of geopolitical tensions; likewise, it may review both the internal environment and specialized third-party publications that anticipate emerging risks which may affect the Group, either directly or indirectly.

Among the aforementioned emerging risks are those associated with climate change, new areas of transformation in the technological context, new regulation linked to sustainability, the transition towards a low-emissions economy, the effect of the evolution of artificial intelligence (AI) and their implications for cybersecurity and disinformation, as well as their repercussions in the geopolitical and economic sphere.

Review of the cybersecurity model

In an increasingly technological world, cyber-threats and security challenges are becoming ever more significant due to their impact on the organization. Their impacts could range from the loss of sensitive data to damage to physical assets or reduced product/service quality, even threatening business continuity itself.

Acerinox's growing commitment to cybersecurity is reflected in robust governance structures staffed by information security experts, its constant strategy reviews and adherence to internationally-recognized standards such as the ISO/IEC 27001:2017 information security management systems standard, a certification Acerinox has held since 2022.

In this area, the company added a Global CISO (Chief Information Security Officer) in 2023. Reporting to the CEO, the CISO will lead the deployment of the cybersecurity strategy. Likewise, it has a robust cybersecurity governance structure consisting of a corporate information security committee, and cybersecurity committees in each business unit.

The cybersecurity function is subject to regular review by the Audit Committee. Since 2023, the Group has been busy implementing its three-year cybersecurity master plan.

SL-5 in the Columbus Stainless Factory

NAS Factory in Kentucky (The US)


ACERINOX

3. Governance

In 2023, the Acerinox board of directors carried out an annual evaluation of its performance and that of its committees through an independent external consultant.

In terms of training, the members of the Sustainability Committee were trained in various subjects, such as the new corporate sustainability reporting directive (CSRD), and climate risks.

The 2023 Acerinox Annual Corporate Governance Report, the Directors' Remuneration Report, the Financial Statements and the Management Report are available on the Spanish National Securities Market Commission (CNMV) and Acerinox websites.

The board of directors, in collaboration with its committees, approves the Group's policies. The board of directors and its committees, monitor the company's targets, including those related to sustainability.

Stainless Steel Tanks for the Food Industry supplied by Acerinox Europa

3.1 Board of directors

Carlos Ortega Arias-Paz
Chairman

Proprietary Director representing Corporación Financiera Alba, S.A. Member of the board of directors since May 2022.

Elected with the favorable vote of 91.99% of the subscribed voting capital attending the 2022 Annual Shareholders' Meeting.

Holder of 11,111 shares at December 31, 2023.

Bernardo Velázquez Herreros
Chief Executive Officer
Executive

Member of the board of directors since 2010, re-elected in 2014, 2018 and 2022.

Chief Executive Officer since July 2010. He is a member of the Executive Committee.

Re-elected with the favorable vote of 92.55% of the subscribed voting capital attending the 2022 Annual Shareholders' Meeting.

Holder of 82,690 shares at December 31, 2023.

Rosa María García Piñeiro
External independent

Member of the board of directors since 2017,re-elected in 2021.

She chairs the Sustainability Committee and is a member of the Executive Committee.

Re-elected with the favorable vote of 97.32% of the subscribed voting capital attending the 2021 Annual Shareholders' Meeting.

Laura González Molero
External independent

Member of the board of directors since 2017, re-elected in 2021.

She chairs the Appointments, Remuneration and Corporate Governance Committee and is a member of the Audit Committee.

Re-elected with the favorable vote of 97.24% of the subscribed voting capital attending the 2021 Annual Shareholders' Meeting.

George Donald Johnston

Lead independent director

Member of the board of directors since 2014, re-elected in 2019 and 2023.

He is a member of the Audit Committee and the Executive Committee.

Holder of 6 shares at December 31, 2023.

Re-elected with the favorable vote of 87.76% of the subscribed voting capital attending the 2019 Annual Shareholders' Meeting.

Francisco Javier García Sanz

External independent

Member of the board of directors since 2020.

He is a member of the Executive Committee and the Appointments, Remuneration and Corporate Governance Committee.

Elected with the favorable vote of 92.78% of the subscribed voting capital attending the 2020 Annual Shareholders' Meeting.

Tomás Hevia Armengol

External proprietary, representing Corporación Financiera Alba, S.A.

Member of the board of directors since 2016, re-elected in 2021.

He is a member of the Audit and Sustainability Committees.

Re-elected with the favorable vote of 99.13% of the subscribed voting capital attending the 2021 Annual Shareholders' Meeting.

Leticia Iglesias Herraiz

External independent

Member of the board of directors since 2020.

She chairs the Audit Committee. and sits on the Sustainability Committee.

Elected with the favorable vote of 92.59% of the subscribed voting capital attending the 2020 Annual Shareholders' Meeting.

Pedro Sainz de Baranda Riva

External independent

Member of the board of directors since 2023.

He is a member of the Appointments, Remuneration and Corporate Governance Committee, as well as the Sustainability Committee.

Elected with the favorable vote of 92.05% of the subscribed voting capital attending the 2023 Annual Shareholders' Meeting.

Marta Martínez Alonso

External independent

Member of the board of directors since 2017, re-elected in 2021.

She is a member of the Sustainability Committee.

Re-elected with the favorable vote of 98.05% of the subscribed voting capital attending the 2021 Annual Shareholders' Meeting.

Santos Martínez-Conde Gutiérrez-Barquín

External proprietary, representing Corporación Financiera Alba, S.A..

Member of the board of directors since 2002, re-elected in 2006, 2010, 2014, 2018 and 2022. He is a member of the Executive Committee and of the Appointments, Remuneration and Corporate Governance Committee

Re-elected with the favorable vote of 91.57% of the subscribed voting capital attending the 2022 Annual Shareholders' Meeting.

Holder of 9,997 shares at December 31, 2023.

Luis Gimeno Valledor

Secretary of the Board and General Secretary of the Acerinox Group.

Holder of 23,579 shares at December 31, 2023

Name	Charge	Gender	Director: Executive	Director: Proprietary	Director: Independent	Committee: Executive	Committee: Audit	Committee: Appointments and Remuneration	Committee: Sustainability	Other: First appointment
Carlos Ortega Arias-Paz	Chairman	Man		✓		✓*C				2022
Bernardo Velázquez Herreros	Chief Executive Officer	Man	✓			✓				2010
Laura G. Molero	Director	Woman			✓		✓	✓*C		2017
Rosa María García Piñeiro	Director	Woman			✓	✓			✓ *C	2017
George Donald Johnston	Lead independent director	Man			✓	✓	✓			2014
Francisco Javier García Sanz	Director	Man			✓	✓		✓		2020
Tomás Hevia Armengol	Director	Man		✓			✓		✓	2016
Leticia Iglesias Herraiz	Director	Woman			✓		✓*C		✓	2020
Pedro Sainz de Baranda Riva	Director	Man			✓			✓	✓	2023
Marta Martínez Alonso	Director	Woman			✓				✓	2017
Santos Martínez-Conde	Director	Man		✓		✓		✓		2002
Luis Gimeno Valledor	Secretary	Man				SEC	SEC	SEC	SEC	-

Man | *Woman*

**C: Chairman.*

At the end of 2023, 36% of board members were women, with a target of reaching 40%

	Man	Woman
Board:	7	4
Executive Committee:	5	1
Audit Committee:	2	2
Appointments Committee:	3	1
Sustainability Committee:	2	3

See the powers of the committees

Stainless Steel Coil in BA finish at the NAS factory

3.2 Annual shareholders' meeting

The annual general meeting of Acerinox was held on May 23, 2023 in Madrid with the physical presence of the Company's shareholders. A total of 1,754 shareholders, either in person or by proxy, were in attendance, representing 54.54% of the subscribed voting capital. All items on the agenda were approved with the sufficient majorities required by the Corporate Enterprises Act and the Company's articles of association.

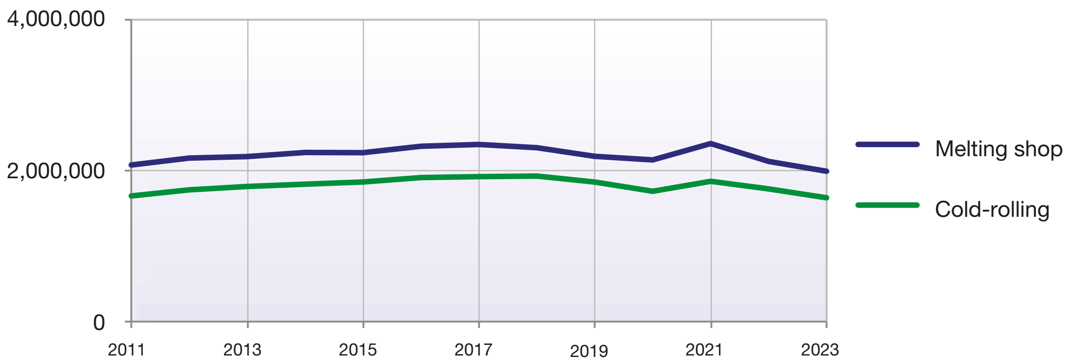
Annual General Shareholders Meeting held on 23rd May 2023

4. Economic performance

4.1 Production

The Acerinox Group produced 1.9 million metric tons in 2023, of which 96 % corresponded to the stainless steels division and 4 % to the high-performance alloys division.

Evolution of the total production of the Stainless Steel Division's factories (MT)



Quarterly performance of stainless steel division production (thousands of metric tons)

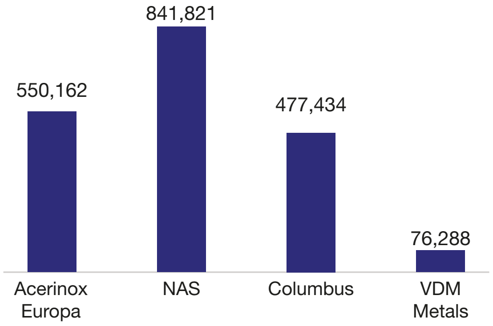
	2023					2022	Variation 2023 - 2022
	Q1	Q2	Q3	Q4	Accumulated	Jan-Dec	
Melting shop	515	465	423	468	**1,869**	2,108	-11.3%
Cold rolling	311	304	283	328	**1,225**	1,441	-15.0%
Long products (hot rolling)	42	36	32	28	**139**	233	-40.6%

Quarterly performance of high-performance alloys division production (thousands of metric tons)

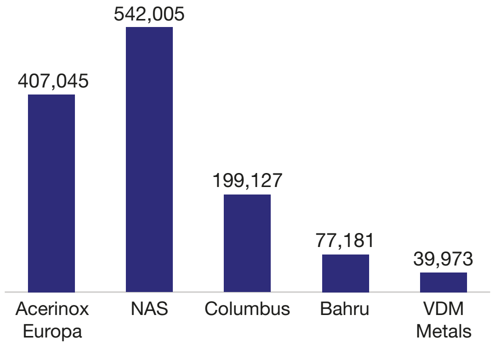
	2023					2022	Variation 2023 - 2022
	Q1	Q2	Q3	Q4	Accumulated	Jan-Dec	
Melting shop	19	21	17	18	**76**	82	-7.0%
Finishing shop	8	12	11	10	**40**	44	-9.2%

Group production

Melting shop production (MT)



Cold rolling production (MT)



In 2023, production in the stainless steel division maintained the downward trend that appeared during the fourth quarter of 2022.

The low level of demand throughout the year, along with the inventory reduction process, meant that all the factories in the stainless steel division had to adjust their production to market conditions.

In the case of the high-performance alloys division, demand remained stable throughout the year, while production activity was slightly lower than in the record year of 2022 (-7% melting shop production).

Electric Furnace at the Acerinox Europa Mill

4.2 Financial results

Key indicators - EUR million

703	6,608	228	341	13.34%
EBITDA	REVENUE	NET INCOME	NET FINANCIAL DEBT	ROCE

Group's consolidated results

In a complex environment, Acerinox's results reflect the Group's resilience even at the lowest points in the cycle. 2023 was marked by macroeconomic and geopolitical tensions, supply chain challenges and incidents affecting trade routes. In these circumstances, the Group's flexibility in adapting to market conditions, cost controls, working capital reduction and debt reduction was evident.

The remarkable results given this market context demonstrate the foresight of the strategic decisions made in recent years, as well as the increased efficiency achieved in the last decade. Acerinox is managing to flatten and mitigate industry's cyclical nature while consolidating a new profitability threshold and consistently generating value across different economic cycles.

The stainless steel industry was affected by the inventory reduction process launched during the second half of 2022. Uncertainties in different markets pushed back new purchases, causing a sharp drop in apparent demand, which affected the Group's operations during 2023.

On the other hand, the high-performance alloys market - the focus of part of Acerinox's strategy, renewing its commitment to higher-value-added products - performed satisfactorily, maintaining its strength, solid demand and good prospects.

Diversification and added value

In recent years, Acerinox has focused its strategy on a process of geographic and product diversification, with a special focus on higher-value-added solutions.

In 2023, the Group's main markets faced similar challenges: downward trends in demand and consumption, high inventory levels and the uncertainties generated by the geopolitical situation. While Europe suffered from falling prices and rising costs, prices remained stable in the North American market.

In addition, the high-performance alloys industry boosted Acerinox's presence in strategic industries with high profitability and long-term growth. It also strengthened the Group's position as a supplier of a wide variety of materials and modified the sales mix with new high-value-added solutions. Thanks to its production and distribution network, the Company was close to suppliers and customers, supporting the regionalization process and improving supply chains.

Despite the unfavorable environment, Acerinox's strong cash generation and ability to make efficient use of capital allowed it to reduce its net financial debt and continue to generate value for shareholders. In 2023, the Group's shareholders benefited from a total dividend of EUR 150 million, consolidating the ongoing commitment to increasing the dividend per share that characterized previous years.

The most important figures for the year and the change with respect to the previous one are summarized in the following table:

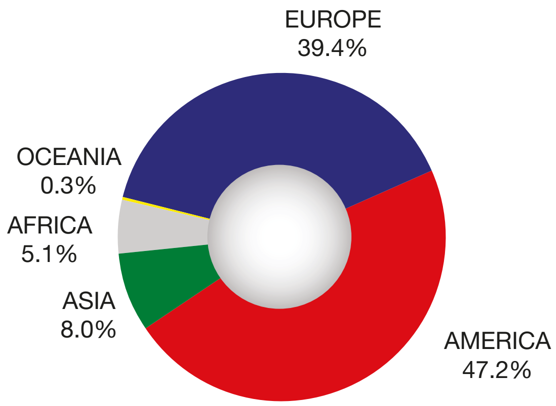
EUR million	12M 2023	12M 2022	% 12M 23/12M 22
Melting shop production (thousands of metric tons)	1,946	2,190	-11%
Net sales	6,608	8,688	-24%
EBITDA	**703**	**1,276**	**-45%**
EBITDA margin	**11%**	**15%**	
Adjusted EBIT (1)	530	1,080	-51%
Adjusted EBIT margin	8%	12%	
EBIT	374	876	-57%
EBIT margin	6%	10%	
Pre-tax income	355	831	-57%
Profit after tax and non-controlling interests	**228**	**556**	**-59%**
Operating cash flow	481	544	-12%
Net financial debt	341	440	-23%

(1) Adjusted EBIT: excluding an impairment of the assets of Bahru Stainless amounting to EUR 204 million in 2022 and EUR 156 million in 2023.

Revenue for the year totaled EUR 6,608 million, 24% lower than the previous year, marked by sharp declines in apparent demand and prices in the main markets in which the Group operates.

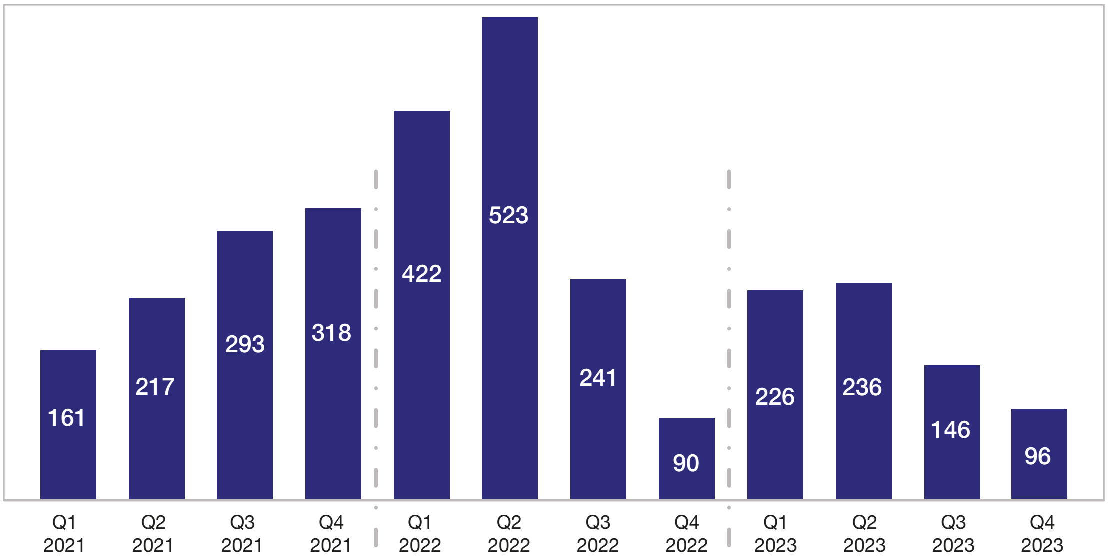
2023 Business Year Results Presentation

Geographic distribution of sales



> The Group made a substantial effort to adapt to market conditions and ended the year with the lowest inventory levels in its history, allowing for a significant reduction in working capital

Quarterly EBITDA 2021, 2022 and 2023 - EUR million



Despite the drop in demand, the Group managed to obtain a commendable EBITDA of EUR 703 million, 45% lower than 2022, an all-time record for the Company in its more than 50-year history.

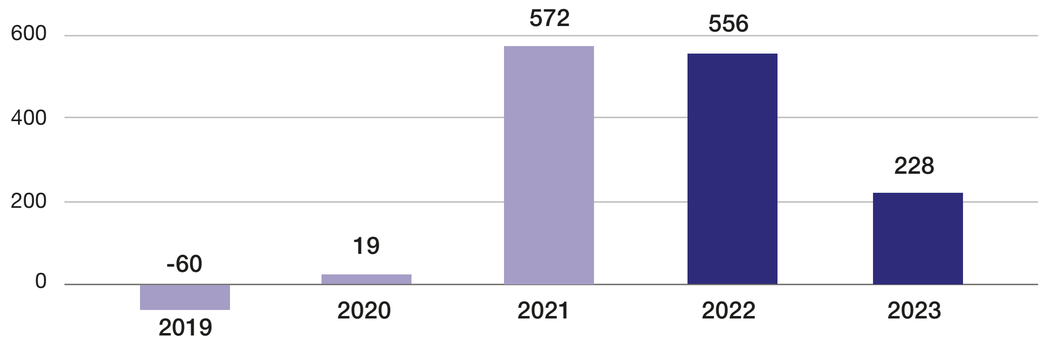
The EBITDA margin rose to 10.6%. This figure includes an inventory adjustment to net realizable value of EUR 65 million.

Depreciation and amortization, at EUR 171 million, decreased by 11% compared to the previous year.

Operating profit (EBIT) amounted to EUR 374 million. Excluding the impairment of Bahru Stainless (EUR 156 million), adjusted EBIT would be EUR 530 million.

Profit after tax and non-controlling interests for 2023 amounted to EUR 228 million, 59% down on 2022.

Profit after tax and non-controlling interests - EUR million



Impairment of Bahru Stainless

Existing overcapacity in Asia, as well as the difficulty of turning a profit at the Group's factory in Malaysia, have led management to reflect strategically on the future of this plant, not ruling out the possibility of ceasing operations.

As a result, the maximum possible impairment of assets in Bahru Stainless was conducted, amounting to EUR 156 million. This did not result in a cash outflow.

ZM-2 Cold Rolling mill at the Bahru Stainless Plant

Cash generation

One of Acerinox's strategic pillars is to maintain its financial strength, defined as sustainable cash generation over time to make efficient use of capital and generate value for the shareholder.

Cash generation continues to be one of the Group's priority objectives. In 2023, despite the lower result obtained, management to reduce Acerinox's working capital, mainly inventories, resulted in an operating cash flow of EUR 481 million (EUR 544 million in 2022).

Cash flow - EUR million

	12M 2023	12M 2022
EBITDA	**703**	**1,276**
Changes in working capital	79	-479
Corporate income tax	-233	-238
Finance costs	-4	-25
Other adjustments	-65	10
OPERATING CASH FLOW	**481**	**544**
Payments due to investment	-175	-126
FREE CASH FLOW	**307**	**419**
Dividends and treasury shares	-152	-336
CASH FLOW AFTER DIVIDENDS	**155**	**83**
Translation differences	-56	55
Changes in net financial debt	**99**	**138**

In a year of falling apparent consumption, with the price of nickel falling throughout the year and industry prices in Europe at historic lows, working capital was reduced by EUR 79 million.

Income tax payments amounted to EUR 233 million, due to the good result obtained by the Company in the previous year.

After investment payments of EUR 175 million, the free cash flow generated amounted to EUR 307 million.

Shareholder remuneration for the year amounted to EUR 150 million in ordinary dividends, as a cash payment of EUR 0.60 per share was made, representing a payout of 66%.

On the other hand, the depreciation of the US dollar (-4% in the year) generated negative translation differences of EUR 56 million.

Statement of financial position and financing

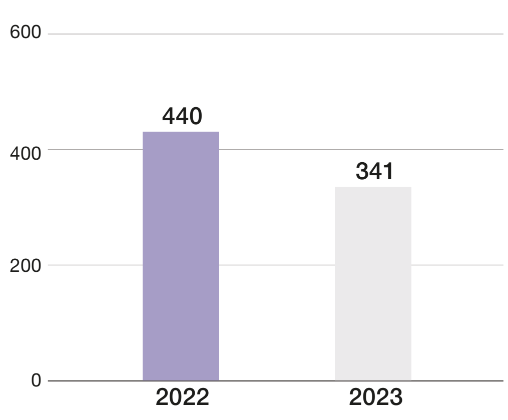
EUR million

ASSETS	2023	2022	Variation
Non-current assets	**1,777**	**1,902**	**-7%**
Current assets	**4,322**	**4,416**	**-2%**
Inventories	1,861	2,156	-14%
Receivables	618	646	-4%
Customers	560	575	-3%
Other receivables	58	71	-18%
Cash	1,794	1,548	16%
Other current financial assets	50	67	-25%
Total assets	**6,099**	**6,318**	**-3%**

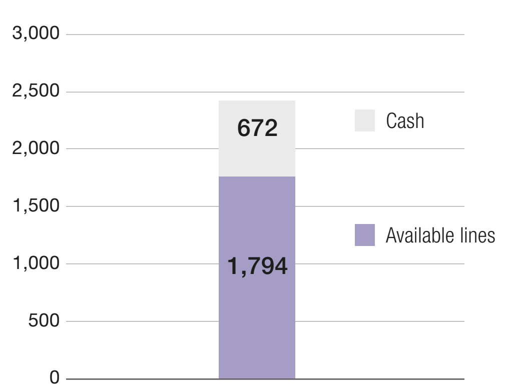
EUR million

LIABILITIES	2023	2022	Variation
Equity	**2,463**	**2,548**	**-3%**
Non-current liabilities	**1,733**	**1,823**	**-5%**
Bank borrowings	1,291	1,394	-7%
Other non-current liabilities	442	429	3%
Current liabilities	**1,902**	**1,947**	**-2%**
Bank borrowings	844	594	42%
Trade payables	787	1,017	-23%
Other current liabilities	272	335	-19%
Total Liabilities	**6,099**	**6,318**	**-3%**

Net financial debt - EUR million

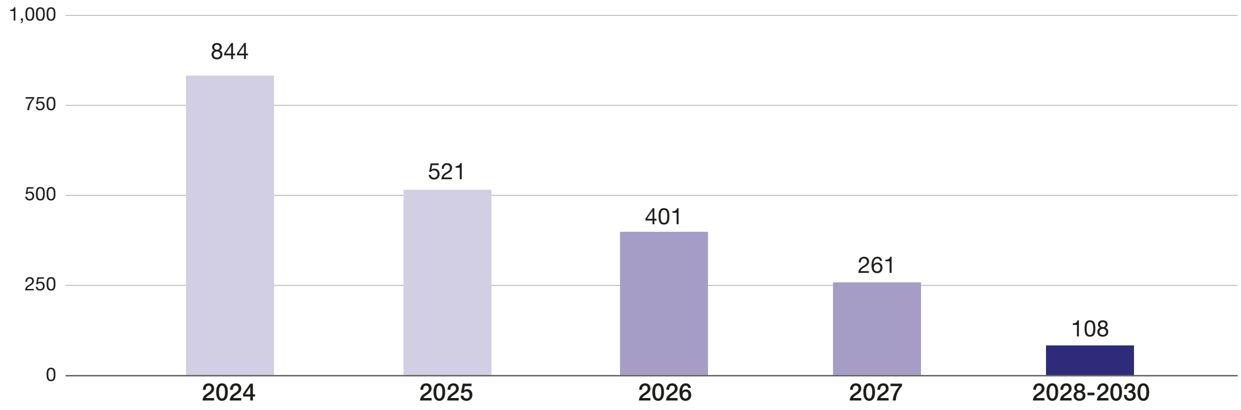


Liquidity - EUR million



Maturities of term debt - EUR million

EUR 2,135 million



Net financial debt at December 31, 2023 of EUR 341 million had fallen by EUR 99 million (EUR 440 million at December 31, 2022).

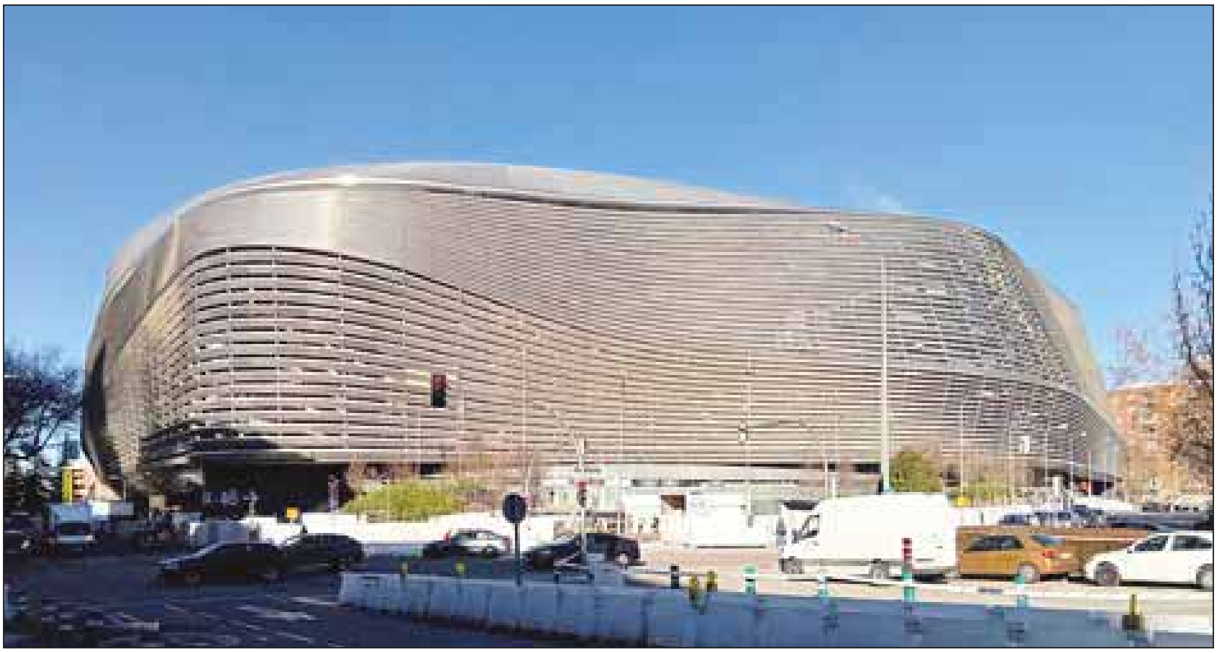
Sculpture made of Stainless Steel by Sculptor Arturo Berned

As in 2022, during 2023, the Group continued to actively manage its long-term loans and renew its credit lines to maintain the Group's liquidity. In this regard, the most relevant financial operations in 2023 were as follows:

- Renewal of the syndicated factoring agreement in Spain until 2026, increasing the maximum amount to EUR 380 million and including a new assignor (VDM Metals International)
- Renewal of the Columbus Borrowing Base Facility in South Africa until 2027 for a total maximum amount of ZAR 3.5 billion
- Renewal and extension of credit facilities up to a total amount of EUR 301 million and US$135 million.
- Signing of five new long-term loans in Spain with various financial institutions for a total amount of EUR 155 million.
- 1.5 year extension of the loan signed by VDM for EUR 30 million.
- Extension for an additional year (until 2025) of the bilateral financing lines signed with VDM with five financial institutions for a total amount of EUR 210 million.
- Increase in Bahru Stainless' short-term financing facilities (credit lines and revolving credit facilities) to a maximum of US$145 million.

At year-end, the Group had sustainable outstanding debt totaling EUR 647.4 million, linking the cost of the credit to the evolution of the established indicators to be reviewed annually. At December 31, 2023, the majority of the Group's financing corresponded to term loans, of which almost 80% were due to mature in over a year. Overall, 70% of the loans and private placements were at fixed interest rates (these figures include loans closed at floating interest rates but hedged with an interest rate derivative).

As of December 31, 2023, the Acerinox Group had liquidity amounting to EUR 2,465 million. Of this amount, EUR 1,794 million corresponded to cash and short-term deposits and EUR 672 million to available financing at various Group subsidiaries.



Santiago Bernabeu Soccer Stadium with Stainless Steel Cladding made in Spain

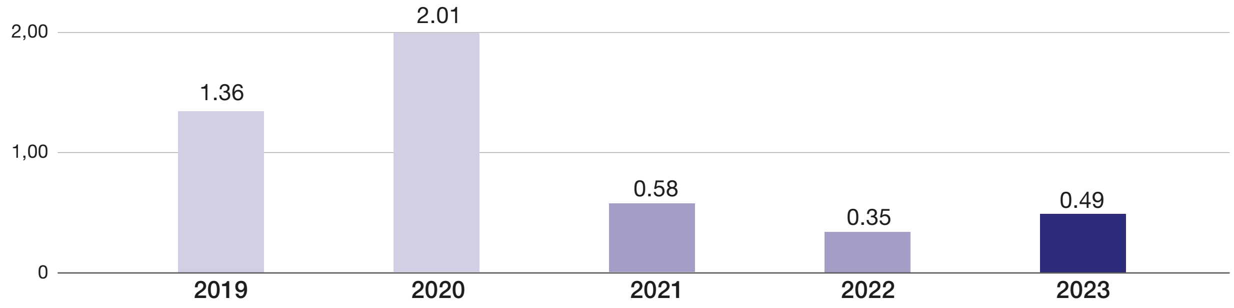
Financial ratios

The net financial debt/EBITDA ratio was 0.49x (0.35x in 2022), demonstrating our good financial situation.

The gearing ratio stood at 14%, a 25-year low.

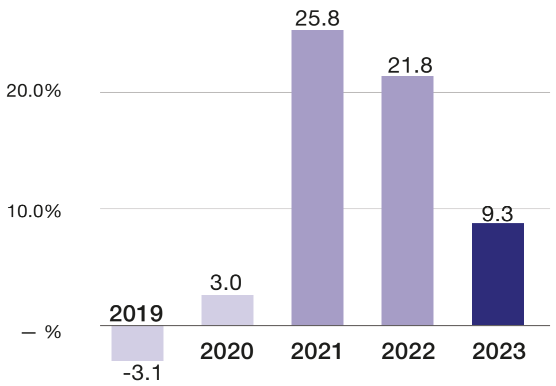
Return on capital employed (ROCE) was 13.34% in 2023 (29.31% in 2022). Adjusted ROCE (excluding the impairment of Bahru Stainless) was 17.9%, exceeding the Group's target of 15%.

Net financial debt to EBITDA - No. of times

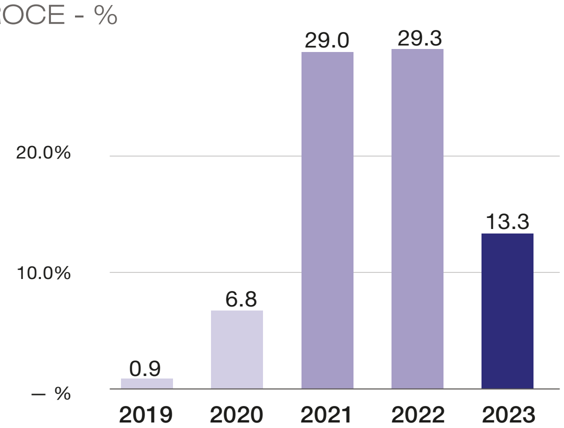


ROE in 2023 stood at 9.3% while ROCE was 13.3%

ROE - %



ROCE - %



Average period of payment to suppliers

With regard to the average payment period, Law 18/2022 of September 29 on the establishment and growth of companies amended the related law, in particular the additional provision 3, which establishes an information requirement and obliges all listed companies to explicitly indicate in their Annual Accounts the average payment period to suppliers, the volume of money and the number of invoices paid in a period lower than the maximum established in the regulations on late payments, as well as the percentage of these invoices in the total number of invoices and in the total amount of money paid to their suppliers. The Group has taken this amendment into account.

The average period of payment to suppliers of the Spanish companies that form part of the Acerinox Group, after deducting payments made to Group companies, is as follows:

	2023	2022
	Days	Days
Average period of payment to suppliers	64 days	63 days
Ratio of operations settled	62 days	62 days
Ratio of transactions pending payment	81 days	80 days
	Amount	Amount
Total payments made	**2,363,976**	**2,384,319**
Total outstanding payments	**189,493**	**189,759**

The table includes payments made to any supplier, whether domestic or foreign, and excludes Group companies.

As regards the new mandatory disclosures for Spanish companies belonging to the group, the situation is as follows:

	2023	2022
a) Monetary volume of invoices paid within a period equal to or less than the maximum established in the regulations on late payment	1,114,046	1,129,490
Percentage share of total number of invoices of payments to its suppliers	47%	47%
b) Number of invoices paid within a period equal to or less than the maximum period established in the late payment regulations	23,427	22,172
Percentage share of total monetary payments to its suppliers	41%	40%

Stainless steel division results

EUR million	12M 2023	12M 2022	% 12M 23/12M 22
Melting shop production (thousands of metric tons)	1,869	2,108	-11%
Net sales	5,195	7,426	-30%
EBITDA	**533**	**1,151**	**-54%**
EBITDA margin	**10%**	**16%**	
Depreciation and amortization	-138	-161	-14%
Adjusted EBIT*	**393**	**987**	**-60%**
Adjusted EBIT margin	**8%**	**13%**	
EBIT	237	783	-70%
EBIT margin	5%	11%	
Operating cash flow (before investments)	475	648	-27%

* Includes the impairment of assets at Bahru Stainless amounting to EUR 204 million in 2022 and EUR 160 million in 2023

Revenue was down 30% compared to 2022 due to lower sales and price drops in all markets.

EBITDA amounted to EUR 533 million, 54% down on 2022. This figure includes an adjustment of inventories to net realizable value of EUR 49 million.

Operating cash flow totaling EUR 475 million was generated owing to the EUR 206 million decrease in working capital.

Cash flow - EUR million

EUR million	12M 2023	12M 2022
EBITDA	533	**1,151**
Changes in working capital	206	-247
Corporate income tax	-230	-233
Finance costs	17	-14
Other adjustments	-50	-8
OPERATING CASH FLOW	475	648

Turbine made of high performance alloys

High-performance alloys division results

The alloys division exploited the favorable market momentum with a sound management of raw material purchases, the backlog and product mix, which led VDM to achieve the best results in its history, surpassing the record achieved in 2022.

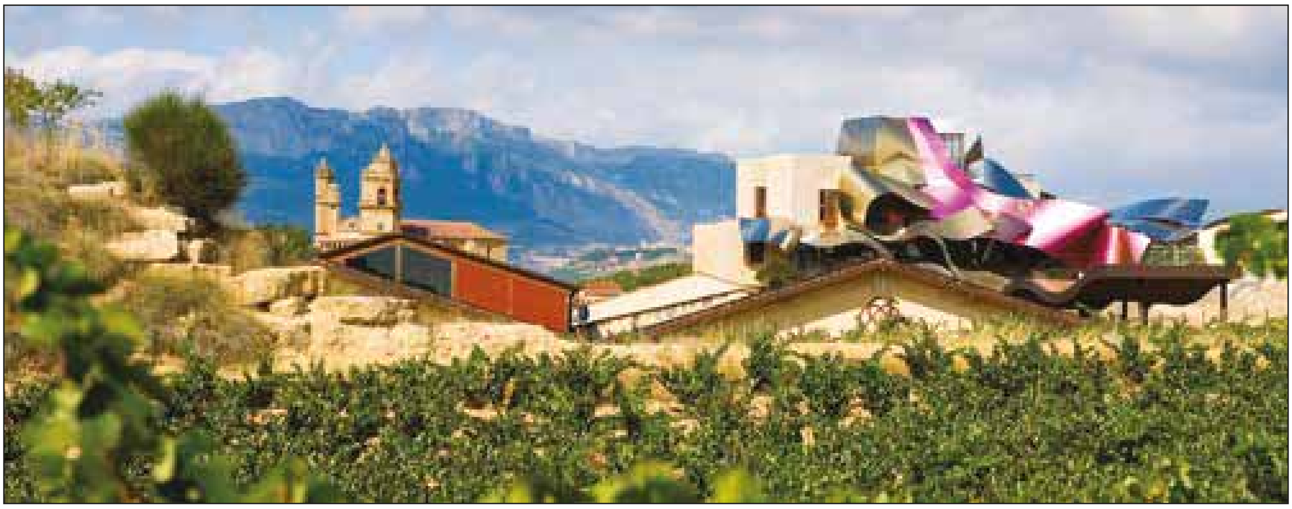
EUR million	12M 2023	12M 2022	% 12M 23/12M 22
Melting shop production (thousands of metric tons)	76	82	-7%
Net sales	1,437	1,262	14%
EBITDA	**175**	**125**	**40%**
EBITDA margin	**12%**	**10%**	
Depreciation and amortization	-24	-24	1%
EBIT	**151**	**102**	**49%**
EBIT margin	**11%**	**8%**	
Operating cash flow (before investments)	**7**	**-104**	

High-performance alloys revenue reflected the favorable market momentum with 14% growth compared to 2022. EBITDA generated - EUR 175 million - was 40% higher than in the previous year, setting a new record. At year-end, an inventory adjustment to net realizable value of EUR 16 million was carried out.

Meanwhile, operating cash flow was EUR 6.5 million, due to an increase in working capital of EUR 126 million as a result of good activity.

Cash flow - EUR million

EUR million	12M 2023	12M 2022
EBITDA	175	125
Changes in working capital	-126	-232
Corporate income tax	-3	-5
Finance costs	-25	-11
Other adjustments	-14	18
OPERATING CASH FLOW	**7**	**-104**



Exterior view of the Marqués de Riscal winery in Álava with stainless steel supplied by Acerinox Europa

4.3 Excellence 360° Plan

In 2023, the Group advanced in the deployment of the Excellence 360° Plan, featuring digital transformation as the driving force to gather and direct the Group's strategies until they are aligned with its production requirements, thus maximizing business opportunities.

The Excellence 360° Plan made it possible to successfully tackle the uncertain environment that characterized the steel industry in 2023, as well as the weakness of the industrial market in the face of constantly rising energy prices and supply failures. These factors were compounded by the unstable geopolitical situation and the resurgence of armed conflicts. Production cuts resulting from this global scenario prevented value chain optimization, as in other periods of stability, with an average savings during the life of the plan of close to 40%.

In this area, achievements in areas such as the optimization of raw material purchases and the improvement in melting shop yields stand out, with final results above the targets set, as does progress in the reduction of material sent to landfill, and the increase in line processing capacity.

The success of the excellence plans implemented over the last 15 years and the know-how acquired by Acerinox during their execution planted the seed for the design of the new Beyond Excellence Plan.

Digital Transformation Plan

The Digital Transformation Plan, one of the main enablers for pushing forward Excellence, has turned Acerinox into one of the major companies in Industry 4.0.

Its three core programs of recent years - automation and robotization, integrated planning, and data analytics - have been complemented by the addition of a fourth: traceability. The combination of their advances makes the Group not only a Smart Factory, but a Smart Company, building a process improvement strategy with the help of the most innovative technologies, such as AI and digital twins.

During 2023, the Group launched nearly 40 initiatives along the value chain, implementing them at its main facilities. Specifically, this activity was focused on improvements to the advanced analytics program, with promising projects such as the following:

- Predictive maintenance to ensure constant monitoring of critical assets.
- Predictive quality, which allows surface defects in cold rolling production to be reduced. A global project launched at all the stainless steel division's factories.
- Real-time statistical monitoring of the hot rolling process to reduce its variability. A pilot project deployed in Google Cloud that, in 2024, will be extended to other production areas.
- Melting shop digital twin technology to help optimize slab costs.
- Scrap metal characterization using AI for image recognition.
- Progress in the project to promote product traceability.
- At flat product factories, progress was made in the deployment of sequencers to optimize production campaigns.

Acerinox has joined the Association to Promote the Data Economy and Artificial Intelligence in Spanish Industry, IndesIA, as it works to modernize and digitalize Spanish companies. Acerinox will be an active part of the IndesIA ecosystem, enriching its teams, learning, and benchmarking, using the different working groups to develop products and projects while contributing its experience in these fields.

INDESIA

Consorcio Nacional Industrial para el Impulso de la Economía del Dato y de la Inteligencia Artificial

Digitalization and innovation **EUR 17.6 million**
digitalization and innovation investments and expenses

Corrugated stainless Steel made by Roldan, S.A.

4.4 Shareholder remuneration

In 2023, Acerinox shareholders received EUR 150 million in dividends. The Annual Shareholders' Meeting also approved the redemption of 10,388,974 treasury shares held as part of the buyback program approved by the board of directors on July 27, 2022 (carried out from August 1 to October 26, 2022).

Dividend payment

As established in the dividend policy approved by the board of directors in December 2022, an interim dividend of EUR 0.30 gross per share was paid for 2022 to shareholders on January 27, 2023.

In addition, following approval by the 2023 Annual Shareholders' Meeting, a supplementary dividend of EUR 0.30 gross per share for 2022 was paid on July 17. The total paid to shareholders in 2023 was consequently EUR 0.60 gross per share, 20% higher than the 2022 dividend.

The board meeting of December 20, 2023, resolved to propose to the next Annual Shareholders' Meeting a total remuneration for 2024 of EUR 0.62 gross per share, 3.3% more than the previous year:

- Interim dividend for 2023 of EUR 0.31 gross per share, paid in January 26, 2024.
- Final dividend of EUR 0.31 gross per share to be paid in July.

Dividend policy

The purpose of the dividend policy, approved by the board of directors in December 2022, is to establish the essential principles that will govern the shareholder compensation agreements submitted by the board of directors to the Acerinox Annual Shareholders' Meeting for approval, connecting shareholder compensation to the Group's financial results.

Proposals for shareholder compensation must be sustainable and compatible with the maintenance of financial soundness.

Provided that market conditions, the Group's earnings performance, and net debt does not exceed 1.2x the average EBITDA for the cycle permit, the board of directors may resolve to provide extraordinary shareholder remuneration through share buyback plans or the payment of extraordinary dividends pursuant to authorization at the Annual Shareholders' Meeting.

As a general rule, the dividend will be paid in two installments:

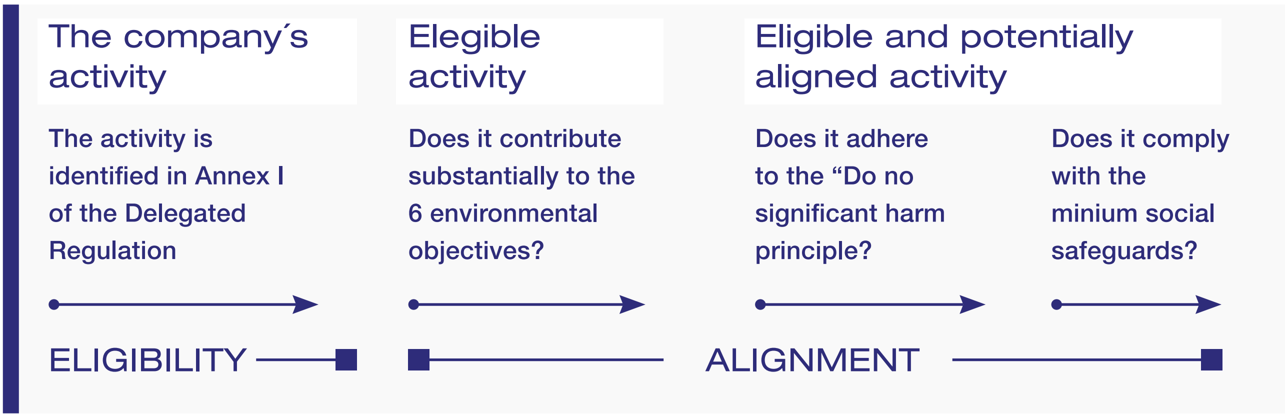
- An interim payment in January.
- A final payment in July.

This policy may be revised when there are significant and tangible organic and/or inorganic investments in the short term or when conditions so advise.

4.5 European taxonomy on sustainable finance

The European taxonomy is part of the European Commission's action plan for financing sustainable growth, which aims to redirect capital flows to sustainable activities. To achieve this, a common language and a clear definition of "sustainable" are needed. To this end, the European taxonomy was created, and a common classification system for sustainable economic activities was established.

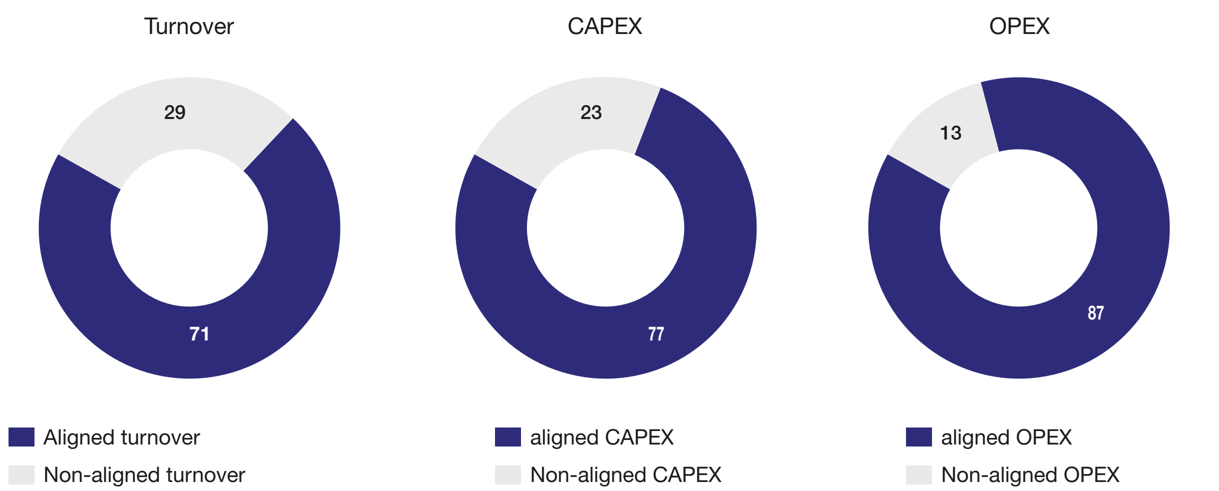
Acerinox has conducted a comprehensive analysis to assess which of its activities may be eligible under the six objectives of the taxonomy. These potential eligible activities are then cross-referenced with the definitions in the taxonomy to identify the Group's eligible activities.



Acerinox has an analysis tool that records the data used and the results thereof, serving as a document manager and guaranteeing the traceability of the information.

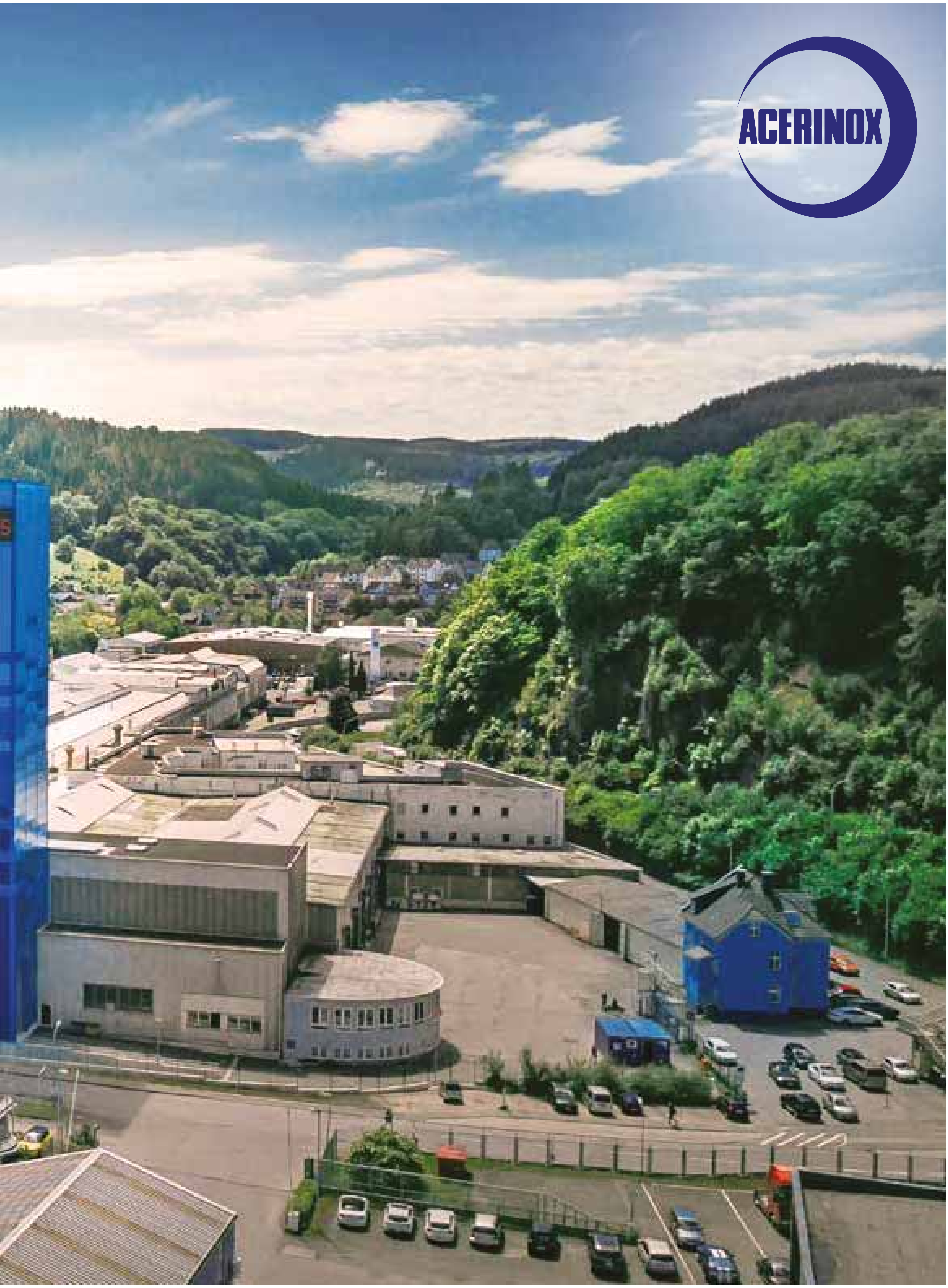
Per this analysis, the manufacture of basic iron and steel and ferro-alloys (NACE 24.20) linked to the climate change mitigation objective is considered eligible.

Code	Name of the activity	Description	Taxonomic target	Alignment
3.9	Iron and steel manufacturing	Manufacture of basic iron and steel and ferro-alloys.	Climate change mitigation	YES



Oil Refinery made out of stainless steel and high precision alloys

VDM Metals Factory in Werdohl (Germany).


ACERINOX

5. Sustainable management model

Acerinox is committed to best practices in governance and sustainability to contribute to economic and social development. To this end, it has a responsible management model that structures, coordinates and strengthens the activities necessary to make this a reality.

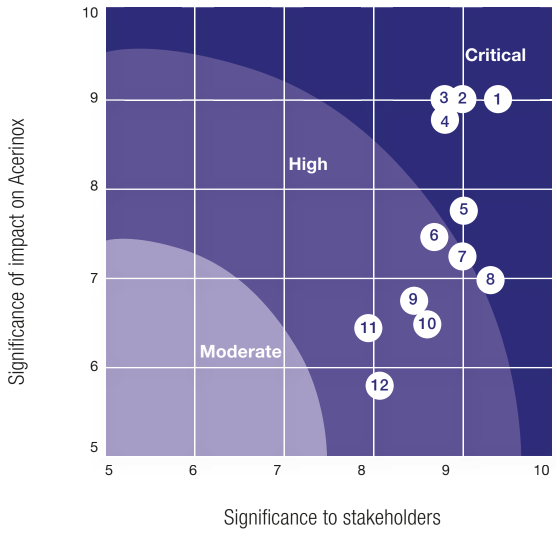
In 2020, a sustainability committee was created within the board of directors. The Sustainability Director, a direct report of the CEO, reports to the Sustainability Committee. The committee's purpose is to supervise and promote actions related to the Group's commitment to sustainability.

For the deployment and implementation of our commitment to sustainability, the company has a sustainability plan, Positive Impact 360°.

Materiality analysis

In 2022 the Acerinox Group reviewed and updated the material issues. This analysis process made it possible to identify risks and opportunities, and to better understand the needs and expectations of key stakeholders. To this end, Acerinox consulted customers, shareholders, employees, financial backers, and suppliers, among others, in order to prioritize the most important issues and learn more about these stakeholders' level of satisfaction with the Group's performance.

Matriz de Materialidad



1. Health and safety
2. Circular economy and waste management
3. Efficient financial management
4. Decarbonization strategy
5. Leadership, transparency and ethical behavior
6. Supply chain management
7. Environmental risk management
8. Sustainable and safe products
9. Talent management: diversity, equality, and inclusion
10. Digitalization and new technologies
11. Positive working environment Training and professional development
12. Social contribution

Acerinox is conducting a double materiality analysis in order to identify what is relevant to the company, as well as the Group's material impact on people and the planet. The study is preceded by an analysis of the global context and industry trends.

Stakeholder management

The Acerinox Group is aware of the importance of maintaining responsible relationships with stakeholders in order to create shared value. Therefore, in 2022, the company approved the stakeholder management model; its main objective is to prioritize the aforementioned groups, as well as to identify their needs and expectations around the company's performance.

Acerinox considers the following six stakeholders to be priorities::

- Employees
- Shareholders and investors
- Suppliers
- Local communities
- Customers
- Public agencies
- Civil society

Communication and continuous dialogue are the basis of the relationship Acerinox maintains with its stakeholders. The Company offers opportunities for constant dialogue to build trusting, stable, and lasting relationships. It also regularly evaluates stakeholder satisfaction, making any necessary improvements to its commitments in order to meet their needs.

Construction of suburban trains in South Africa with Aisi 301 stainless steel, supplied by the Columbus Stainless Plant

Positive Impact 360° Plan

The Group reviewed its sustainability management model in order to foster continuous improvement in all material issues. To this end, the **Positive Impact 360° Sustainability Plan** is implemented through annual programs. the most relevant actions of which are explained in the following sections of this report.

The Sustainability Plan is structured around five strategic pillars:

Ethical, accountable and transparent governance

Promote the development of a responsible and transparent management model and solid corporate governance. with a sustainable and long-term vision, which identifies and proposes responses to new ESG challenges and opportunities.

Eco-efficiency and climate change mitigation

Establish commitments and objectives in climate change mitigation and develop an action plan to achieve them that includes energy efficiency measures, which are the bedrock of the climate change model.

Circular economy and sustainable products

Integrate circular economy processes into all operations by driving the development of sustainable and low-emission products.

Committed team, culture, diversity, and safety

Strengthen the alignment of people with the values of Acerinox, boosting their commitment to sustainability, promoting equality, the development of talent and the improvement of the climate, guaranteeing safety, health and well-being.

Supply chain and community impact

Manage the supply chain responsibly and be a company recognized for its commitment to local society and creating positive community impact.

Stainless Steel Staircase at CaixaForum in Madrid

Sustainability objectives

In 2020 Acerinox set sustainable goals linked to its environmental, social and corporate governance performance, aligned with Positive Impact 360°, its Sustainability Master Plan, and the main international standards (Paris Agreement, Sustainable Development Goals, etc.).

Progress in these objectives is as follows:

Pillar	2030 targets**	Degree of progress	2023 vs 2022
	20% reduction in CO_2 emissions intensity (Scopes 1 and 2) compared to 2015.	-11% vs 2015	-3%
	7.5% reduction in energy intensity compared to 2015	8% vs 2015	6%
	20% reduction in water withdrawal intensity compared to 2015	-18% vs 2015	-3%
	90% waste recycled	80%	1%
	10% annual reduction in LTIFR	–	-24%
	15% women at the organization	13.28%	0.37%*

*Increase in the percentage of women on staff compared to the previous year.
**Carbon intensity, energy intensity, water withdrawal intensity and % waste recycled targets were set for the stainless steel division only. In 2024, they will be extended to the Group level.

The company has met the targets set for 2023 in accordance with the path set out for the year 2030. It is worth highlighting the effort made in terms of emissions thanks to our commitment to renewable energies, as well as the LTIFR reduction target, which has fallen by 24% in just one year. On the other hand, the energy intensity target was not met due to the drop in production, which had a significant impact on plant efficiency. Acerinox has also decided to extend the 2030 targets established at the stainless division level to the entire Group in 2024, applying similar annual reduction levels to the high-performance-alloys division.

Achievement of some of these sustainability objectives is linked to the variable remuneration of employees, forming part of the short- and long-term incentives of the Group's c-suite and being rolled out across the organization's different areas. The specific objectives linked to variable remuneration for 2024, in line with the 2030 Group roadmap, are as follows:

Pillar	2024 targets	2024 vs 2023
	Reduction in CO_2 emissions intensity (Scopes 1 and 2)	-1.54%
	Increase in recycled waste	4.03%
	TIR reduction	-26%
	Increase in the percentage of women in the organization	0.25%*

*Increase in the percentage of women on staff compared to the previous year

Contribution to the 2030 Agenda

The 2030 Agenda is a universal call for action by governments, institutions and businesses to end poverty, protect the planet, and improve the lives and future of people through the achievement of 17 Sustainable Development Goals by 2030.

Contribution to the SDGs

SDGs	ACERINOX'S 2030 OBJECTIVES
3 GOOD HEALTH AND WELL-BEING	Objective of reducing accidents, setting out specific initiatives to achieve this goal. (For more information, see the Health and safety section in 5.4 Committed team, culture, diversity, and safety.)
5 GENDER EQUALITY	Objective of having 15% women by 2030, setting out specific initiatives to achieve this goal. (For more information, see the Equality, diversity, and inclusion section in 5.4: Engaged team, culture, diversity, and safety.)
6 CLEAN WATER AND SANITATION	Objective of reducing specific water withdrawal by 2030, setting out specific initiatives to achieve this goal. (For more information, see the Water stewardship section in 5.2 Eco-efficiency and climate change mitigation.)
8 DECENT WORK AND ECONOMIC GROWTH	Acerinox employs over 8,000 people and generates an economic value of EUR 6,766 million in the form of salaries, taxes, payments to suppliers, etc. (See 1.1 Value creation for further information).
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Acerinox fosters innovation by making investments that improve efficiency through automation, new equipment, new methods, etc., and/or the development of new products, incorporating sustainability criteria into the investment decisions. (See 2.2 Strategic plan for further information.)
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Acerinox champions the efficient use of available resources and has set 2030 targets for reducing CO2 emission intensity, energy intensity, and specific water withdrawal, putting in place initiatives designed to achieve these goals. To increase circularity, it has also set a waste valorization objective. (See 5.2 Eco-efficiency and climate change mitigation and 5.3 Circular economy and sustainable products for further information.)
13 CLIMATE ACTION	Acerinox has set specific 2030 objectives to reduce its greenhouse gas emissions, such as carbon intensity, putting in place initiatives designed to achieve these goals. Moreover, to improve its adaptation to climate change, it has analyzed the physical and transition risks related to climate change. (See 5.2 Eco-efficiency and climate change mitigation for further information.)

Participation in ESG ratings

Memberships

Acerinox raises the flag for Sustainable Development Goals

5.1. Ethical, responsible and transparent corporate governance

Corporate governance

Acerinox adopts best corporate practices in its operations, keeping it ahead of international standards.

Creation and appointment of a lead independent director: George Donald Johnston was elected to this position following the retirement of the previous Chair and the appointment of Carlos Ortega Arias-Paz as new non-executive chairman of Acerinox. Although the chair is a non-executive position, it was decided to create this position because of the benefits it brings.

When the Company increased the dividend per share to EUR 0.60, compared to EUR 0.50 in prior years, it also approved a new dividend policy. This explicit policy states the commitments undertaken vis-à-vis shareholders and provides much-needed predictability regarding expected returns in future years.

At the request of the board of directors, the Company has strengthened the area of sustainability in recent years. First, the Sustainability Directorate was created and, subsequently, a specialized committee was set up under the board itself.

Railing made from Stainless Steel Flat Bars and Stranded Wire at the "King's Path" in Málaga (Spain)

Ethics and compliance

Ethics and compliance are fundamental to the proper functioning of the Acerinox Group's business activity.

Milestones 2023	Challenges 2024
Favorable audit report for the Group's nine companies in Spain to obtain UNE 19601 certification for criminal compliance management systems.	Complete the implementation process for the Crime Prevention Program at all group companies.
Specific training on money laundering, terrorism, criminal groups, fraud, and punishable insolvency.	Implement the Crime Prevention Program at VDM companies.
Modified the Group's whistleblowing channel per Law 2/2003, which transposes the Whistleblowing Directive into Spanish law.	Complete the corporate regulation integration process at all the Group's subsidiaries.
Created a repository of all Group regulations, called ACERINORM, available to all Group employees.	Provide training in the prevention of harassment and crimes related to the use of digital services and resources.
Reviewed and re-evaluated risks related to the following crimes: harassment, hate speech, discovery and disclosure of secrets, digital sabotage and damage, intellectual and industrial property right infringements, and tax offenses.	Progress in the implementation of the Human Rights due diligence model.
	Implement smuggling prevention measures, social security, foreign citizens' rights, investment fraud, and land and urban planning at non-Spanish companies.

Code of Conduct and Best Practices

The current edition of the Group's Code of Conduct and Best Practices, approved by the board of directors in 2016 and accessible on the company website, provides a rule-based guide for professionals across Acerinox's various companies to determine the ethical commitments and responsibilities that should govern their activity at the company.

Violation of the Code of Conduct could result in disciplinary action, without prejudice to the administrative or criminal sanctions that may apply in accordance with applicable law.

Whistleblowing channel

To encourage the application of the Code of Conduct, the company has a whistleblowing channel, a communication tool accessible to all Acerinox employees and stakeholders. Its purpose is to report behavior that breaches the Code of Conduct and Best Practices as well as to request advice on the application of the organization's policies and practices for responsible business conduct.

Compliance function

The compliance function is made up of the set of actions and entities that prevent and detect the regulatory non-compliance risks that may arise in any business process, promoting a culture of compliance at the Acerinox Group and avoiding, or at least reducing, the risk of sanctions, fines, or reputational damage loss as a result of non-compliance with applicable legislation.

Key indicators

27
Inquiries received via the ethical channel

82%
Inquiries resolved

1,971
Employees trained in compliance

Crime prevention program

The program includes measures designed to identify, evaluate and avoid the commission of crimes in the Group's activities, and is made up of the necessary policies, processes and procedures, in accordance with best practices in this area.

Annual crime prevention wheel

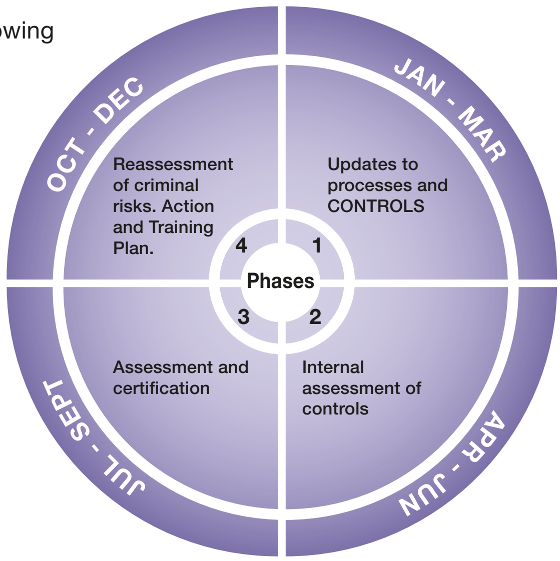
The crime prevention wheel includes the following phases:

A. Processes and monitoring update.

B. Monitoring self-assessment.

C. Evaluation and certification.

D. Action and training plan.



In 2023. risks related to the following crimes were reviewed and re-evaluated: harassment. discovery and disclosure of secrets. digital sabotage and damage. intellectual and industrial property right infringements. hate speech. and tax offenses.

New crime prevention program management software from Diligent has also been put in place.

Training

In 2023, employees received general training on the Crime Prevention Program; online training on money laundering, terrorism, and criminal groups; and online training on fraud. Basic training on the Crime Prevention Program and Code of Conduct takes place continually and is provided to new Group hires in Spain.

Data protection

The Group has a data protection model that is adapted to local legal requirements where it is present and guarantees good data governance. The Group periodically assesses compliance in order to design the necessary actions for continuous improvement.

In 2018, the Group appointed a single Data Protection Officer (hereinafter DPO) for all its companies, supported and advised by the rest of the organization in the performance of their duties.

Commitment to human rights

At Acerinox, we firmly respect human rights. In 2021, the board of directors approved the Human Rights Policy, available on the company website, which sets out the Group's commitments in this respect, in accordance with the principles established in the United Nations Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work and its Follow-up Procedure of the ILO (International Labor Organization), and the Guiding Principles on Business and Human Rights of the United Nations.

Human rights due diligence model

Acerinox is making progress in the development of its human rights due diligence model, supported by preexisting procedures and systems. The model follows the methodology established by the United Nations Guiding Principles on Business and Human Rights. Its goal is to provide the necessary tools to guarantee that human rights are properly protected and respected.

Elements of the Acerinox Group´s human rights management model

1. Commitment
2. Due diligence
3. Complaint mechanisms
4. Communication

Responsible tax policy

In line with our plan to advance with the development of ethical and transparent corporate governance, our firm commitment to sustainability also extends to taxation.

Key indicators

150
Shareholder remuneration (EUR M)

233
Taxes paid (EUR M)

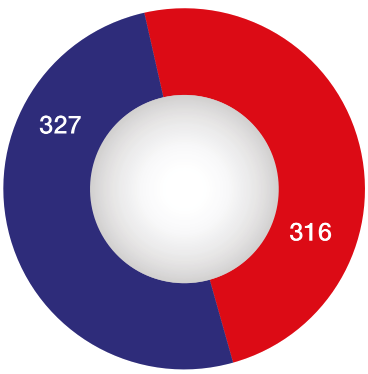
637
Staff remuneration (EUR M)

6,766
Direct economic value generated (EUR M)

6,141
Economic value distributed (EUR M)

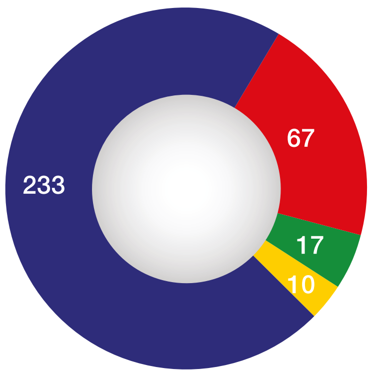
625
Economic value retained (EUR M)

Total tax contribution: **EUR 643 M**



- Total taxes collected
- Total taxes paid

Taxes paid: **EUR 327 M**



- Corporate income tax
- Social security
- Other indirect taxes
- Local taxes

Financial Transparency Seal

RESPONSABILIDAD FISCAL 2022

Acerinox has been awarded a tax transparency seal by the Haz Foundation, which evaluates the governance system and transparency practices of companies to prevent tax hazards.

5.2 Eco-efficiency and climate change mitigation

Climate change mitigation

Relevant activities

Milestones 2023	Challenges 2024
Verification of product carbon footprint per ISO 14067, including scope 1, 2 and 3 for each steel family	Launch of the ECO ACERINOX range of sustainable products
Economic quantification of physical and transition climate change risks, in line with the TCFD recommendations	Review of decarbonization targets, taking SBTI into account
Increase in the use of renewable energy and contracting of new renewable PPAs	Review of the plan to install photovoltaic renewable energy panels at the various plants
Completion of the CDP Climate questionnaire, obtaining a B score	Review of decarbonization plan and associated investment plan

Sculpture Cloud Gate in Chicago, made with Stainless Steel

Reducing emissions in the steel industry is essential to mitigate climate change and meet global targets.

In this sense, Acerinox committed to decarbonizing its activity by implementing the Positive Impact 360° Plan. One of its pillars is eco-efficiency and climate change mitigation; it sets the target of a 20% reduction in GHG emissions intensity (Scope 1 and 2) by 2030, using 2015 as the base year.

The Group has also established a sustainability and climate change policy supported by complementary policies that set out its commitments regarding climate change mitigation.

Key indicators

1,092 t CO2e/t steel
SCOPE 1+2 / PRODUCTION

1,483,902 tCO2e
SCOPE 2

778,994 t CO2e
SCOPE 1

3,521,612 tCO2e
SCOPE 3

Climate change governance

The board of directors is in charge of overseeing the Group's climate change management, and the sustainability and audit committees report to the board within their respective spheres of influence.

Climate change strategy

Acerinox established its commitment to climate change mitigation around four pillars:

- **Improving energy efficiency:** through initiatives such as heat recovery boilers and the use of autonomous guided vehicles (AGVs). etc.
- **Increasing the use of renewable energy:** by entering into PPAs and obtaining renewable energy certifications. as well as through the installation of solar panels for self-supply at the Group's facilities.
- **Using sustainable fuels:** analysis of the feasibility of replacing natural gas consumption with other carbon-neutral fuels. such as biomethane and green hydrogen.
- **Carbon capture. utilization and storage:** studies into the technical and economic feasibility of capturing a portion of the CO2 produced at the plants.

Management of climate change risks and opportunities

The Group's climate risk management is integrated into its corporate risk management. Climate risks are overseen by the board of directors' Audit Committee, as part of its role to supervise the integrated risk monitoring system. Climate risks are also examined by the board's Sustainability Committee.

To strengthen their management, in 2023 the Group also analyzed the physical and transition climate change risks using TCFD methodology. The study considered the impact that climate change would have on each of the Group's facilities over two time horizons - 2030 and 2050 - under two climate scenarios.

The impact of climate risk on the Group's financial statements is structured into three main areas: analysis of the recoverability of non-financial assets, determination of the useful lives of plants and equipment and credit ratings. Due to the nature of the business, we feel that there is no material impact from climate change risk that would indicate impairment.

CLIMATE AMBITION ACCELERATOR

The company has joined the Climate Ambition Accelerator initiative of the Spanish chapter of the UN Global Compact. Through this initiative, Spanish companies like Acerinox are expected to become leaders in climate change mitigation.

Stainless Steel Tanks for the Food Industry supplied by Acerinox Europa

The analysis carried out enabled the Group to identify the following most salient risks and opportunities:

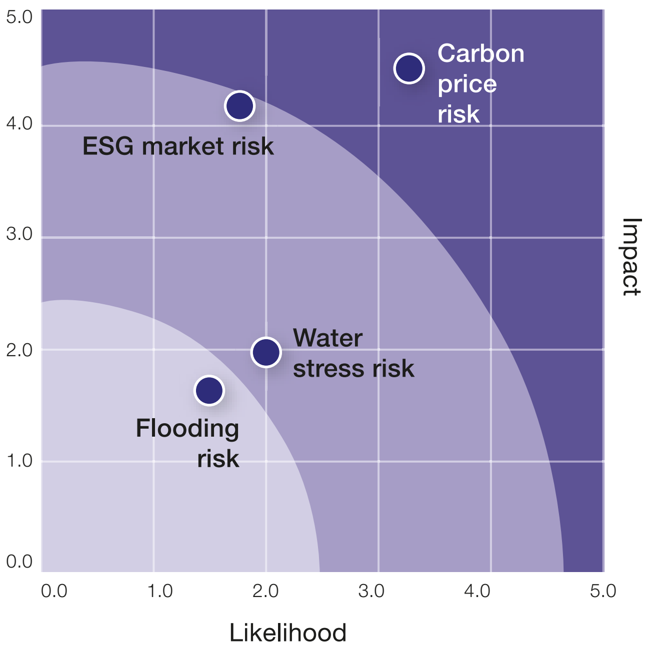
Risks and opportunities

Risk	Potential business impact	Mitigation and control measures
Risk of flooding due to very heavy rain and/ or rivers bursting their banks	Interruption of production during flooding due to limited access to the plant	Placing primary equipment at height to avoid it being affected in the event of flooding
		Putting in place containment and drainage measures to channel flood water
Risk of water stress and drought	Limited water supply or interruption of water supply for extended periods of time	Setting objectives to reduce water consumption
	Increased water treatment costs due to the low quality of the resource	Implementing water consumption efficiency measures
		Investing in water treatment and recovery plants
Risk associated with the introduction of mechanisms or levies that tax carbon emissions	Direct impact on operations	Setting targets aimed at improving carbon intensity
	Indirect impact on supply chains. involving potential additional operating costs in inputs and energy prices	Adopting energy efficiency and emissions reduction measures
		Increasing the consumption of renewable electricity
		Looking into replacing natural gas with low-carbon fuels (hydrogen and biomethane)
		Analyzing carbon capture. utilization and storage projects
Changes in customer preferences	Decrease in demand	Setting of 2030 sustainability targets
		Sustainability Master Plan - Positive Impact 360°
		Developing premium products that meet more stringent sustainability criteria

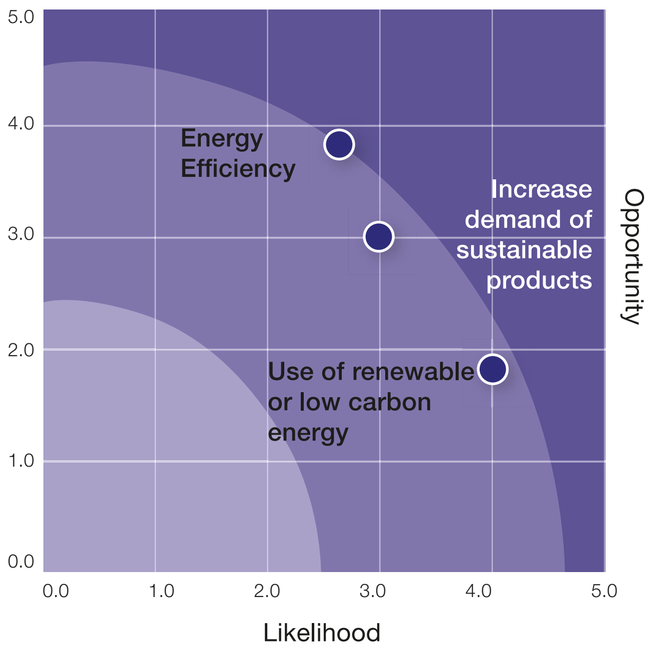
Risks and opportunities

Opportunity	Potential business impact	Stimulus measures
Increasing demand for more sustainable products	Increased steel demand due to the development of new technologies and products for the energy transition	Setting of 2030 sustainability targets
		Sustainability Master Plan. Positive Impact 360º
		Developing premium products that meet more stringent sustainability criteria
Improving energy efficiency	Reduction of environmental impact	Setting targets aimed at improving carbon and energy intensity
	Reduction of operating costs	Adopting energy efficiency and emissions reduction measures
Use of renewable or low-carbon energy	Reduced exposure to the future price of fossil fuels	Setting targets aimed at increasing the consumption of renewable energy
	Improving the business's sustainability	

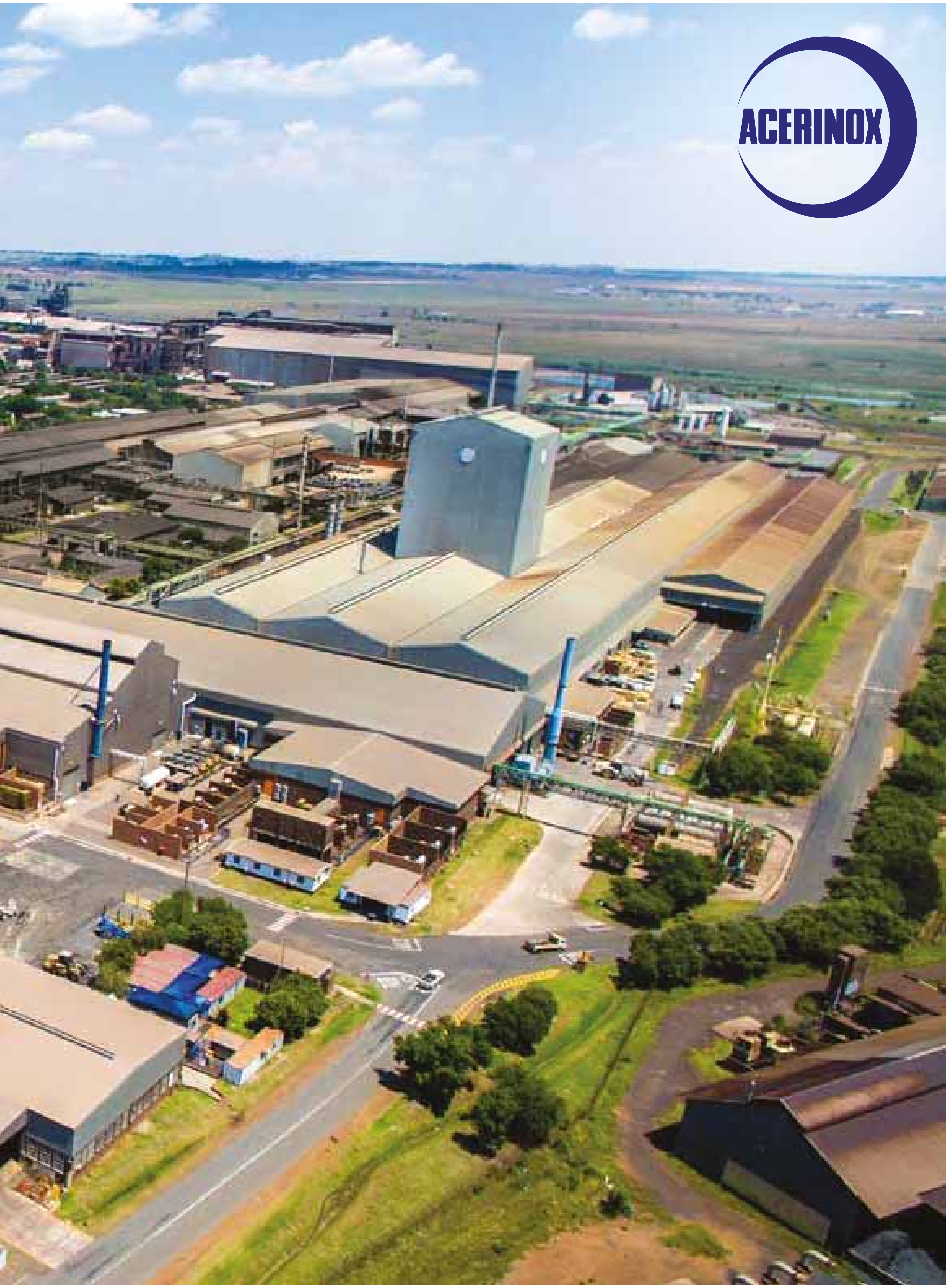
Risks



Opportunities



Columbus Factory in Middelburg (South Africa).



Decarbonization roadmap

The Company's goal is to advance in the decarbonization of its business model. Acerinox is working to reduce the amount of CO2 released into the atmosphere and to reduce other polluting gases associated with the steelmaking process in order to achieve a considerable improvement in air quality, reducing its impact on human health and adjacent ecosystems.

FEATURED CASES

Heat recovery boiler. Palmones

The aim of this project is to recover the excess heat generated by electric arc furnaces to generate process steam. Heat recovery is carried out on the hot air (fumes) that pass through the furnace fume exhaust ducts to the filters using air-steam heat exchangers.

Unna (VDM) forklift fleet electrification

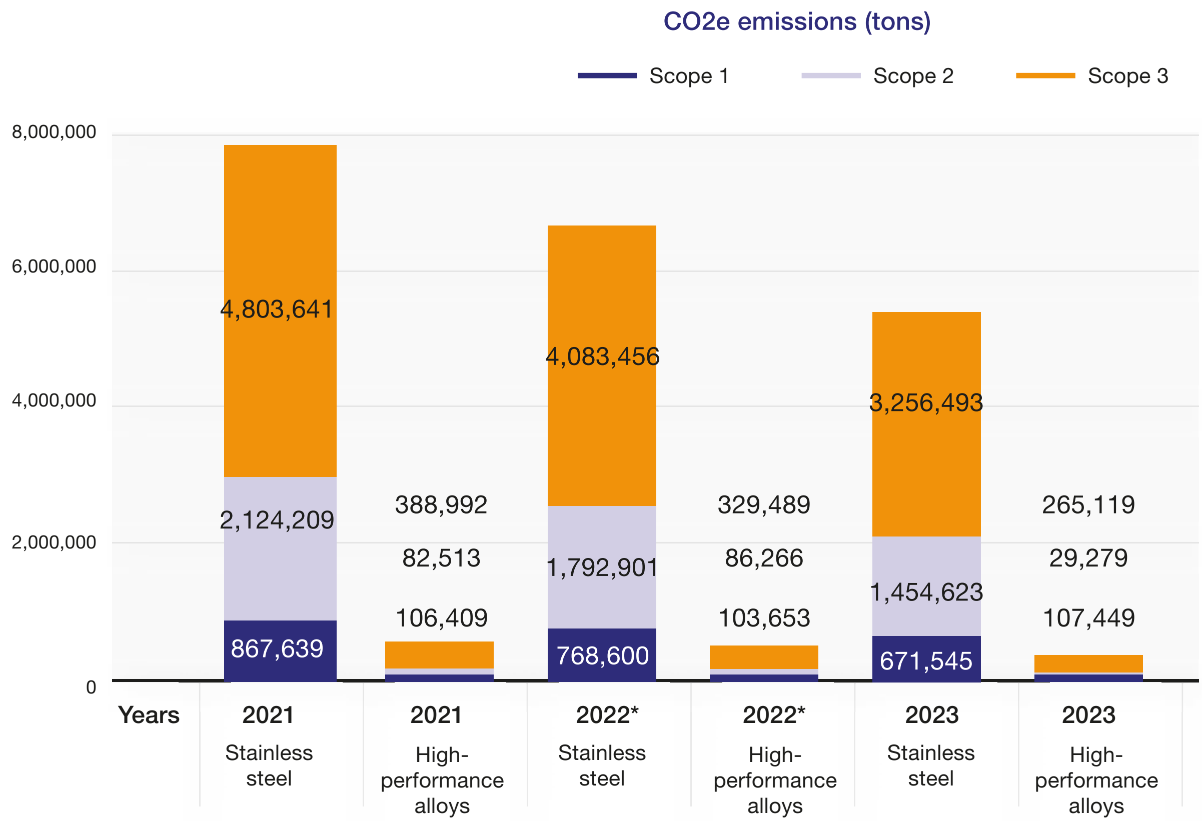
The VDM factory in Unna (Germany) undertook an ambitious project to electrify its forklift and heavy transport fleet.

These electric vehicles replaced internal combustion vehicles that used fossil fuels.

Climate change mitigation metrics and targets

The targets set by Acerinox demonstrate its commitment to reducing its environmental impact. The Company measures progress towards these targets and reports them to the board's Sustainability Committee on a regular basis. The Acerinox carbon footprint is certified using ISO 14064 Standard / GHG protocol.

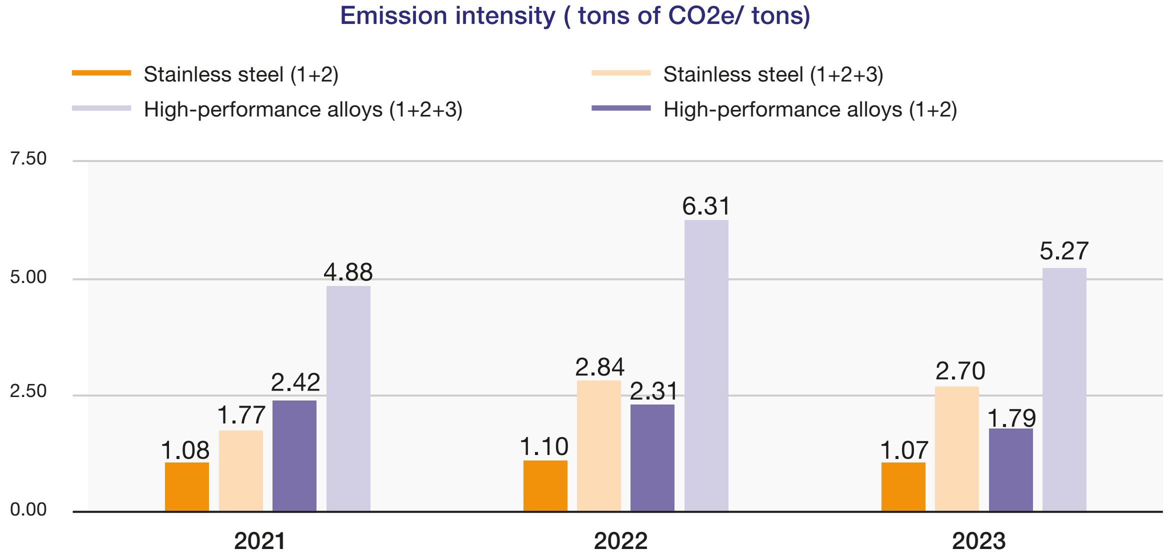
Scopes 1. 2 and 3 group emissions (tCO2e)



*Scope 3 emissions data for the high-performance-alloys division for 2022 have been recalculated due to the increased availability of the data used for the calculation. Additionally. the data for Scope 1 and 2 of the high-performance alloys division and Scope 3 of both divisions in 2023 have been estimated based on information available at the date of publication of the report.

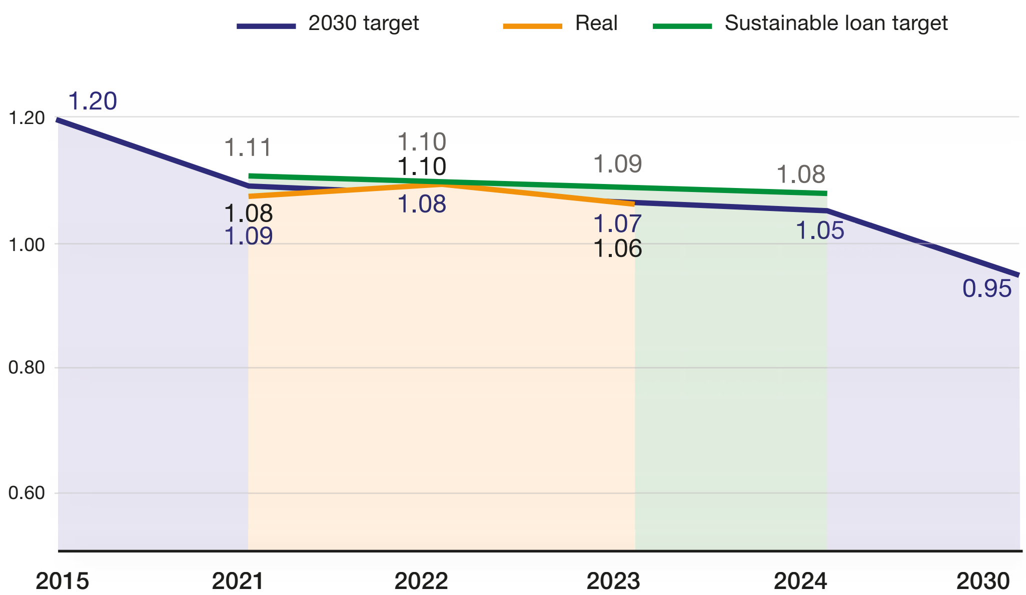
In 2023, Acerinox's CO2 emissions decreased by almost 20% including scopes 1, 2 and 3. This reduction was similar in the stainless steel division and in the high-performance alloys division. It was mainly based on the increase of the use of renewable energy and the reduction of scope 3 by a lower carbon footprint of raw materials due to better scrap management.

Scopes 1+2+3 group emissions intensity (tCO2e/t steel)



The stainless steel division also has sustainable loans linked to the reduction of its carbon footprint; these are tied to a 1% annual reduction in emissions intensity (scope 1+2). The 2023 target was met as the ratio was 1.07, below the target of 1.09 tCO2e/metric ton of production.

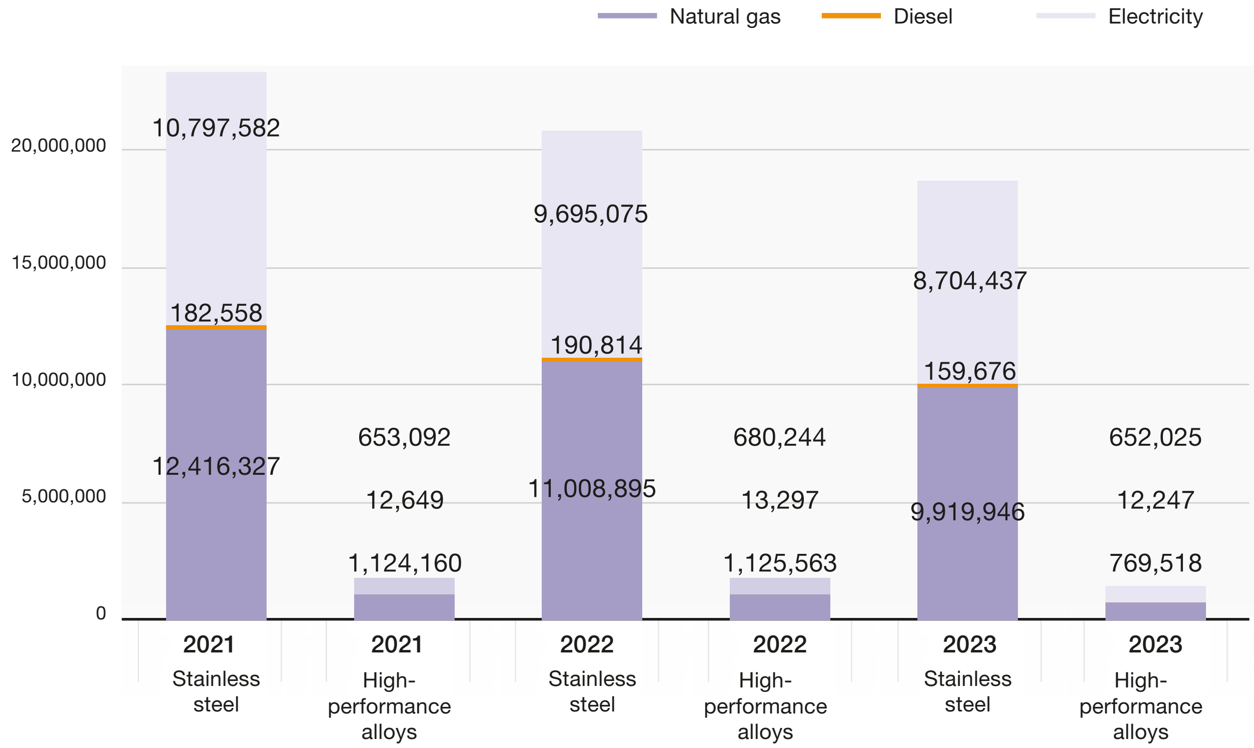
CO2 emission intensity target and sustainable loans -
Stainless steel division scopes 1+2 (tCO2e/t steel produced)



Responsible energy management

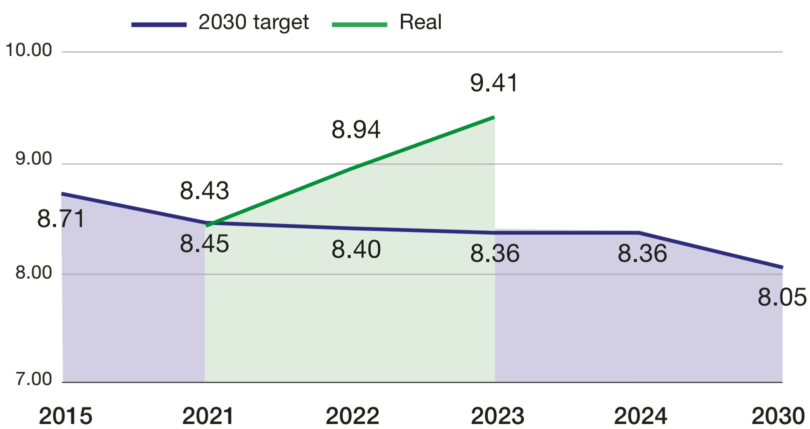
Acerinox works to continually improve its production processes, promoting innovation and the development of more efficient, cleaner technologies in steel production, fostering advances in less polluting and more sustainable processes.

Group energy consumption (GJ)



Reducing energy consumption is a key issue for Acerinox. Acerinox has therefore set a target of reducing the stainless steel division's energy intensity by 7.5% by 2030 compared to 2015. The achievement of this target has been affected by the drop in production caused by the macroeconomic and political environment.

Stainless steel division energy intensity target (GJ/t steel produced)



Renewable Energy Certificates

616,880 MWh

+ 117% increase on the previous year

One of the most important initiatives in the decarbonization process consists of increasing the consumption of renewable electricity. In 2023, renewable electricity accounted for 37% of the Group's electricity consumption, up almost 50%.

Increasing renewable energy sources is one of the targets linked to sustainable financing. Specifically, the Company has committed to improving the renewable electricity intensity ratio of the entire Acerinox Group (stainless steel and high-performance alloys divisions) by 4% per year from 2020.

Group's renewable energy intensity (renewable kWh/t steel produced)

* Renewable energy consumption (PPAs + GOs), remaining energy from national energy mix (location-based)

Water stewardship

Water, in addition to being a vital resource for life on this planet, plays a fundamental role in the steel industry.

The Company works to achieve efficient and responsible water management through initiatives such as measuring the water footprint and identifying the level of water stress at each facility.

During the last four years, there have been no incidents related to water management.

Key indicators

7,422
WITHDRAWAL ML

4,876
DISCHARGE ML

2,547
CONSUMPTION ML

Relevant activities

Milestones 2023 / **Challenges 2024**

Milestones 2023	Challenges 2024
Development of the water footprint model for the stainless steel division	Development of water footprint model for the special alloy division
Completion of CDP Water questionnaire, obtaining a B score	Implementation of the water management policy
Specific water withdrawal objective met	Improvement of water footprint parameter calculation processes

Water footprint

Acerinox calculates its water footprint as a fundamental environmental parameter at all industrial facilities by measuring the volumes of water used and managed in its processes. In parallel, the Group analyzes its facilities' areas of influence; where it identifies the level of water stress.

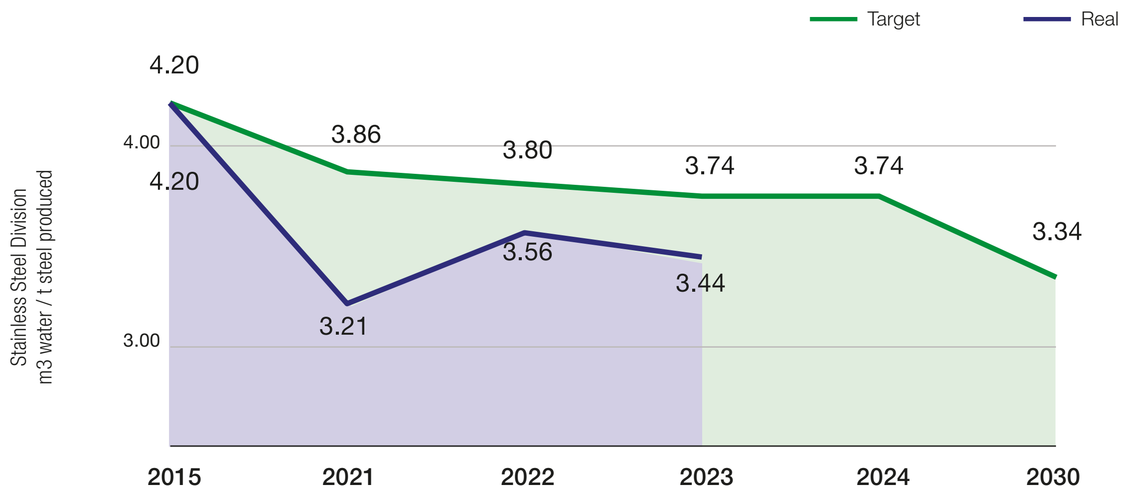
The Group is working from various angles: reducing water used in manufacturing processes; optimizing and making good use of raw and auxiliary materials; and treating and regenerating water for other uses or to be returned to nature. To that end, the reuse of water at the manufacturing plants is fundamental, as is increasing its possible uses, enhancing the processes that use water and tightening controls over water consumption in order to gain greater knowledge.

Water withdrawal

The Acerinox Group is keenly aware of the importance of reducing water extraction, including a specific KPI in this regard in its Strategic Sustainability Plan. Specifically, the stainless steel division plans to reduce specific water withdrawal by 20% by 2030 (compared to 2015).

In 2023, the stainless steel division's water extraction intensity fell by 3% compared to 2022, reaching the established annual target. The following graph shows the reduction path established for 2030 and the actual performance of this indicator.

Water withdrawal - Stainless Division



FEATURED CASE

Global Stainless Steel Industry Gold Award in Sustainability. Wastewater reuse. Palmones

Water is a critical resource in the Group's operations. For this reason, Acerinox Europa is making significant efforts to minimize its water footprint.

In this area, the Company has made significant improvements in the reuse of wastewater for different uses, such as street cleaning, industrial cleaning with pump trucks and garden watering.

The first phase of the project achieved very good results, reducing water consumption by 400 cubic meters per week. The emissions generated by the handling and pretreatment of raw materials also fell.

Other environmental aspects

In line with climate change mitigation and environmental impact minimization, Acerinox focuses its efforts on improving the efficiency of its operations by monitoring and controlling the emission of pollutants by its processes.

Key indicators

663 metric tons
NOx

15 metric tons
VOCs

191 metric tons
Particulate matter

16 metric tons
SOx

	2023		
T	**Total**	**Stainless**	**HPAs**
NOx	663	618	45
VOCs	15	15	0
Particulate matter	191	191	0
SOx	16	13	2

FEATURED CASE

Control of particulate emissions. Palmones

The Acerinox factory in Palmones (Spain) has implemented various environmental control measures aimed at reducing emissions of particulate matter and dust. Among others, the following stand out:

- Installation of water misters and intensive use of the vacuum sweeper on internal roads.
- Modification of the smoke scrubber dust discharge system into trucks for management (sleeve system), using an airtight tank.
- Enclosure of aerators in the melting shop, preventing leaks to the outside.
- Improvements in the efficiency of melting shop fume exhaust systems.
- New slag treatment plant in an enclosed building with coverage at potential dust generation points.

All these initiatives have led to a 65% reduction in the number of incidents detected by the immission monitoring system.

Biodiversity

The Group helps preserve biodiversity by minimizing its environmental impact through increased recycling rates, reduced greenhouse gas emissions and efficient water management.

Swimming Pool railing by the Sea, made of stainless Steel

5.3 Circular economy and sustainable products

Circular economy

In a context of increasingly limited resources, the circular economy plays a crucial role in environmental preservation.

Aware of this reality, Acerinox seeks to achieve the highest possible recyclability ratio, positioning itself as a leader in circular economy. In steel production, the Group uses scrap as its main raw material, reaching values of over 90% recycled material in process inputs, depending on the final specifications of the product.

The Group is working to find more efficient methods to recover, recycle and reuse all kinds of metals and alloys during and at the end of the manufacturing process.


7
Household appliance
Kichenware
6 Coil
Cold
5 rolling
Hot
4 rolling
3 Melting shop
ACERINOX

Key indicators

2,033,855 metric tons
Raw materials from recycled material

80 %
Recycled waste

ACERINOX participated in the "First Conference on Circular Economy for Andalusian Industry," reaffirming its commitment to the circular economy, a fundamental pillar of the company's strategy to ensure sustainable growth over time.

Relevant activities

Milestones 2023	Retos 2024
Obtaining CE certification for slag from the Algeciras plant (various uses)	R+D+i studies for the valorization of slag in different factories
Valorization and local uses of waste (slag, neutralization sludge)	Industrial application of slag as construction aggregate
Scrap segregation plan at service centers	Increase the value-added of scrap recovered at factories and service centers

Raw materials (metric tons)

The Company is aware of the environmental impact generated by the extraction of raw materials, including soil degradation, water pollution, and biodiversity loss. For this reason, one of the lines of action of the Group's decarbonization strategy is to reduce the purchase of raw materials by increasing the use of scrap. In addition, the Company has implemented different initiatives such as the improvement of machinery, to minimize losses of the products that are manufactured, or the improvement of the AOD process, to reduce the consumption of chemical components.

2,033,855
Recycled material*

536,758
Alloys

276,823
Gases

33,969
Acids

14,092
Recycled acid**

* Recycled material is defined as purchased scrap, process and internal scrap, as well as metal recovered from slag and other recycled waste.
**Recycled acid: total amount of nitric and hydrofluoric acid recovered.

Waste management

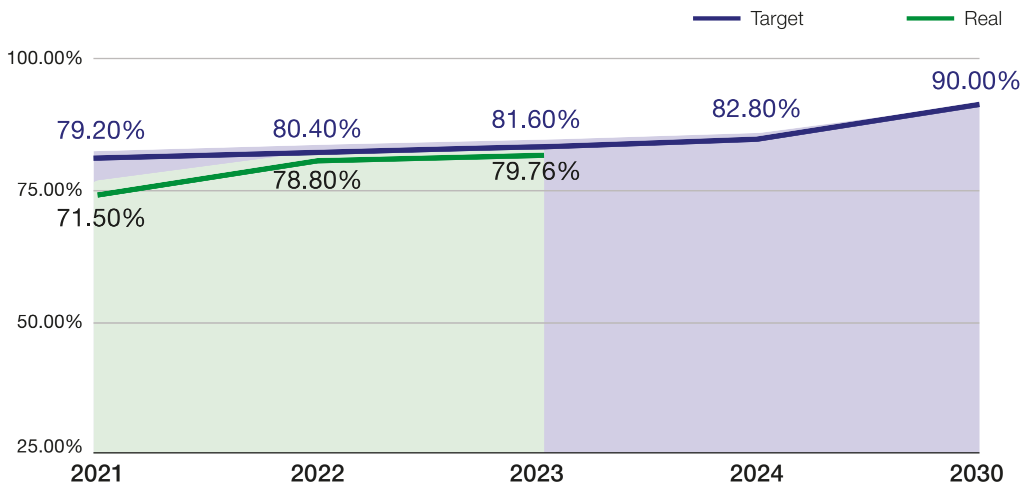
Waste generated, sorted by type of management and composition

Waste is managed independently at each factory, complying with the legislative requirements of each location.

Although most of the waste generated by the Company is recycled, other waste is also generated for landfill. Landfilled waste is managed by an authorized manager in accordance with the regulations applicable in each country.

In 2023, the Group worked towards the goal of increasing its waste recycling by 2030, employing its best practices at its various factories and managing to recycle almost 80% of the waste generated, increasing the percentage of waste recycled compared to previous years.

Stainless Steel Division % of waste recycled



FEATURED CASES

"Sludge to Brick" project. Bahru

BAHRU shipped 1,071 metric tons of acid neutralization sludge for a waste valorization project that transforms sludge from the neutralization plant into unfired bricks used for ornamental building.

The "Sludge to Brick" project was awarded the Ecological Product label in Malaysia and registered with MyHIJAU Mark, the Malaysian government's official green recognition for environmentally-friendly products and services.

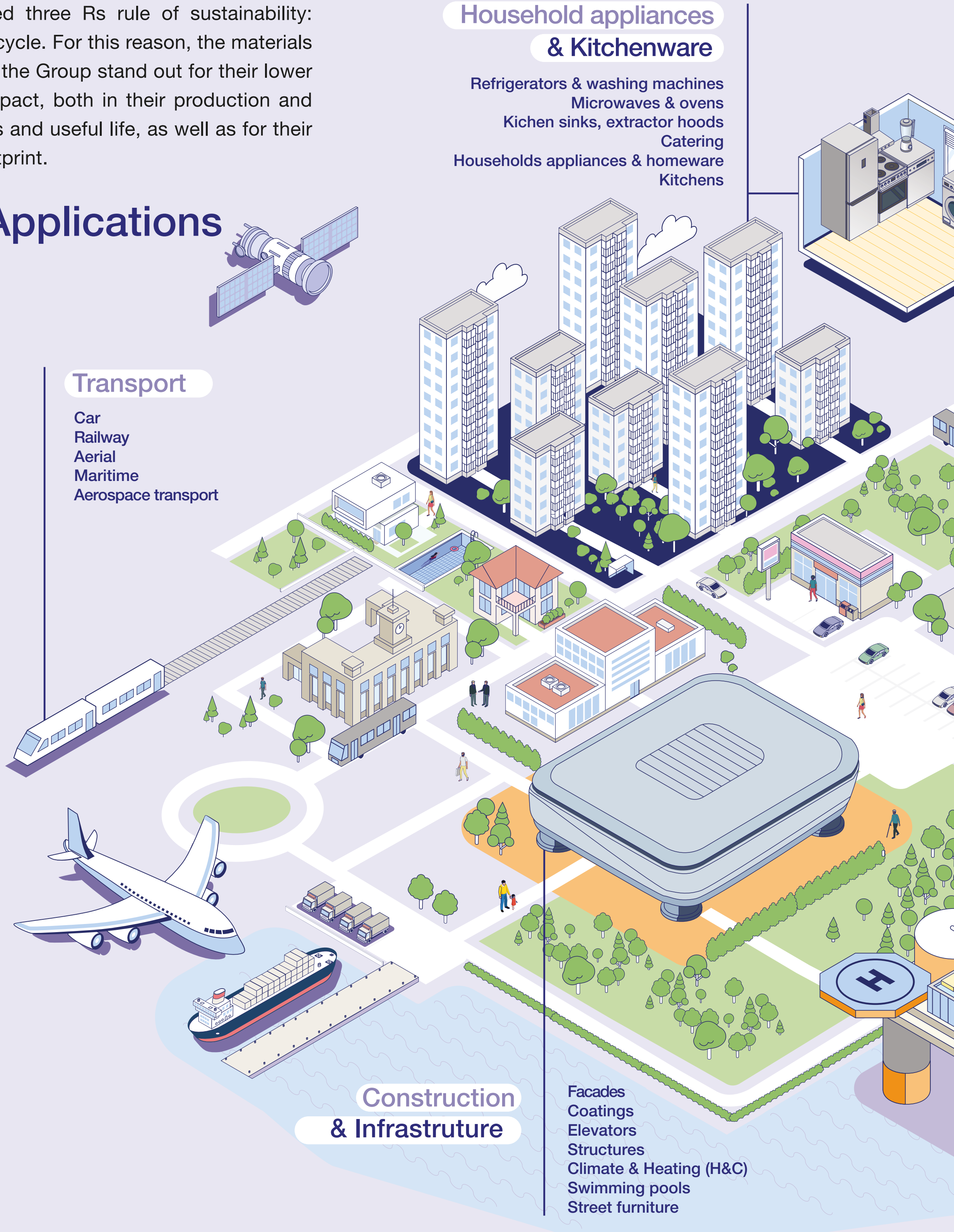
Valorization of WWTP sludge. NAS

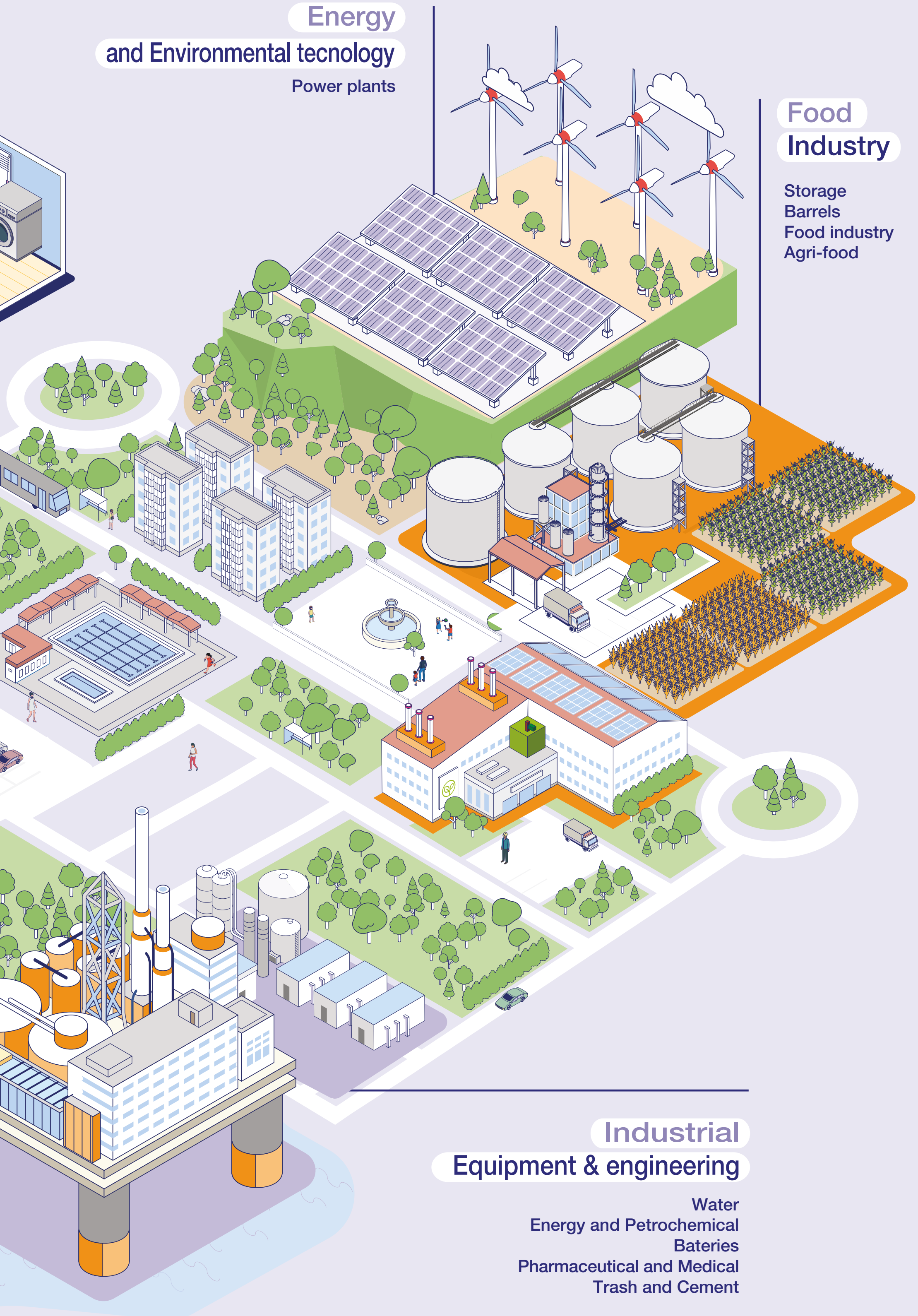
The NAS plant in Kentucky (US) managed to reduce waste sent to landfills from the WWTP by more than 60%. This sludge was reused as backfill aggregate in mines.

Sustainable solutions

Acerinox offers a wide variety of efficient and durable solutions for customers who manufacture all kinds of products that are essential in everyday life, products that are a benchmark in economy and that comply with the so-called three Rs rule of sustainability: reduce, reuse, recycle. For this reason, the materials manufactured by the Group stand out for their lower environmental impact, both in their production and in their processes and useful life, as well as for their lower carbon footprint.

Applications




Energy
and Environmental tecnology
Power plants
Food
Industry
Storage
Barrels
Food industry
Agri-food
Industrial
Equipment & engineering
Water
Energy and Petrochemical
Bateries
Pharmaceutical and Medical
Trash and Cement

Process and product certifications and controls

In addition to the legal requirements applicable in each country, all the Group's factories are subject to strict quality and environmental controls. They also have, as a whole, environmental management systems in line with the ISO 14001:2015 standard. Similarly, each subsidiary has established standards that exceed legal requirements in areas such as quality, safety, and the environment.

Technological innovation

Investment in fixed assets

Investments made in 2023 in both property, plant, and equipment and intangible assets amounted to EUR 175 million. These investments include both the acquisition and installation of new equipment and recurrent maintenance investments. In many cases, they are investments to improve efficiency and productivity, but they are also of a strategic nature and geared towards sustainability, as they entail reductions in energy consumption.

The December 2023 board meeting also approved an EUR 67 million investment plan for the high-performance alloys division at its German plants in Unna, Altena and Werdohl, which will enable it to gradually increase its production capacity in precision strips, bars, and wires, as well as lifting sales by 15%.

Stainless Steel Wire used in Vineyards

R&D&i

Innovation is one of Acerinox's corporate values, and a source of improvement in order to compete in a market as globalized and competitive as the stainless steel market.

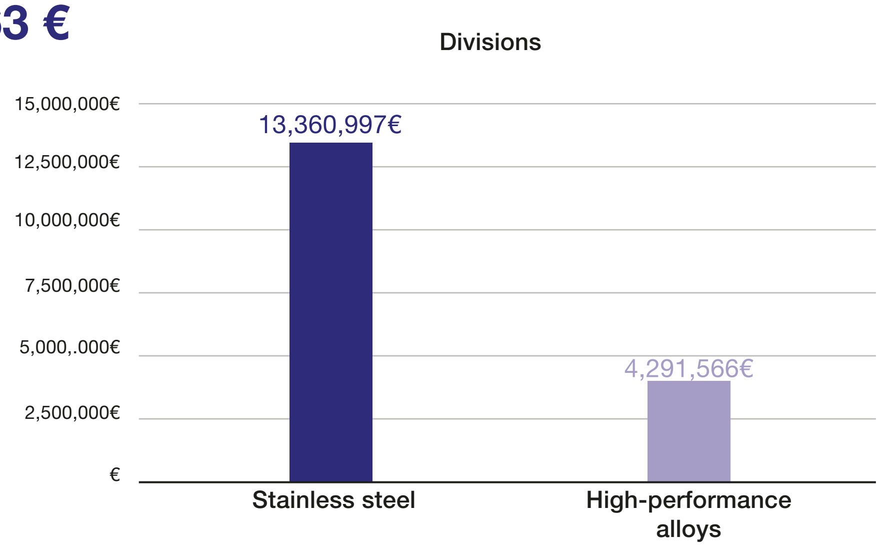
Since 2021, Acerinox has an innovation and technology committee. Led by the Group's CEO and comprising the heads of various business areas, the aim of this Committee is to review the Company's capabilities, define the R&D&i strategy, provide sufficient funding, identify the risks that could affect the Group's operations and define long-term objectives.

Collaboration with public and private research bodies is essential, since almost half of the investments in this field are carried out in partnership with entities, universities and research centers of this nature.

2023 R&D&i investments and expenditure

Group total:

17,652,563 €



CEDINOX

Through its commitment to the dissemination of knowledge, Acerinox supports and promotes the work of CEDINOX, the Spanish Association for the Research and Development of Stainless Steel.

This not-for-profit association bases its activity on four fundamental pillars: research, advice, dissemination and training on stainless steels. Founded in 1985, it collaborates actively with the main Acerinox factories, users and universities.

In short, the association's work supports the stainless steel sector by connecting professionals, seeking out and promoting the various synergies that may arise.

https://www.cedinox.es/en/cedinox/que-es-cedinox/

5.4 Committed team, culture, diversity, and safety

The priority is to attract and retain the best talent, promoting and implementing measures that promote equal opportunities, diversity, and inclusion of all professionals.

Attracting and retaining talent

Acerinox, with its presence on five continents, offers qualified employment opportunities and prospects for professional development and growth. It fosters a work environment based on trust and ensures stable, high-quality, safe, and healthy jobs.

Key indicators

8,229
Employees

73.52
h training/employee

*The staff figure in this Appendix does not include 10 members of senior management.

Relevant activities

Milestones 2023	Challenges 2024
Completion of the management by objectives (MBO) policy roll-out for the entire workforce and its inclusion in the target-based variable remuneration.	Consolidation of the Group's positioning in a culture of recognition and pay for performance.
Inclusion of women executives or women with high potential in the Progress-Promotion programs rolled out by CEOE-ESADE.	Raising awareness of female leadership in different socio-cultural environments to support female talent attraction in the industry.
Carrying-out of various publicity initiatives, such as "Get to Know Stainless Steel."	Strengthen internal and overall communication through digital transformation.
Implementation of measures to continue strengthening leadership and professional development with Acerinox's development plans, continuing with the "Ignite Next Generation" and the "Leadership Academy" programs.	Extend the "Leadership Academy" program to the entire Acerinox Group and strengthen our know-how, best practices, and synergies across factories within the Group through technology, training, and knowledge sharing.
Appraising all the organization's job positions under the certified system.	Improve effectiveness, efficiency, and decision-making through digital systems and tools for people management.
Establishment of initiatives and roadmap to comply with parity regulations of the board of directors and the Management Committee.	Continue to enhance our leadership in diversity, equality, and inclusion and comply with the principle of parity.

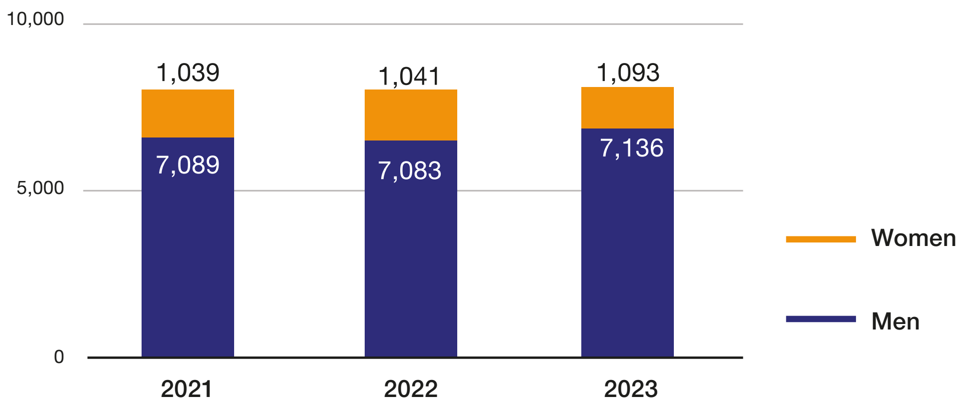
As of December 31, 2023, Acerinox had a global staff of 8,229 professionals, 33% (2,660 people) of whom work in Spain.

Acerinox Europa	Acerinox S.A.	Bahru	Columbus	Inoxfil	NAS	Roldán	VDM	Subsidiaries and service centers	Total
1,746	114	427	1,248	96	1,606	361	2,047	584	**8,229**

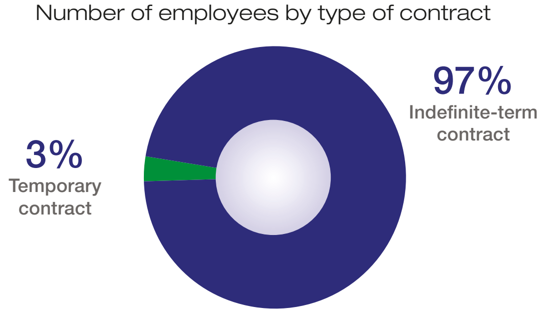
*The staff figure in this appendix does not include 10 members of senior management.

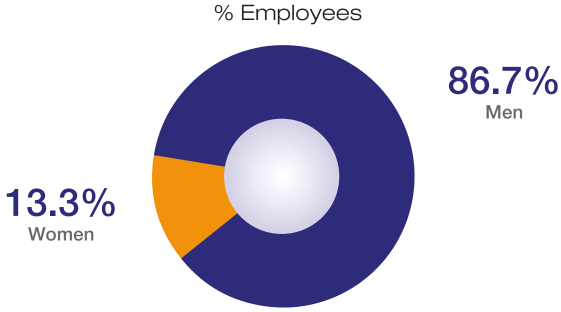
Against the current transformation and uncertainty backdrop, the Group's commitment to its employees can be observed in its efforts to safeguard jobs and in the high percentage of permanent employment contracts (97%).

Changes over time in workforce



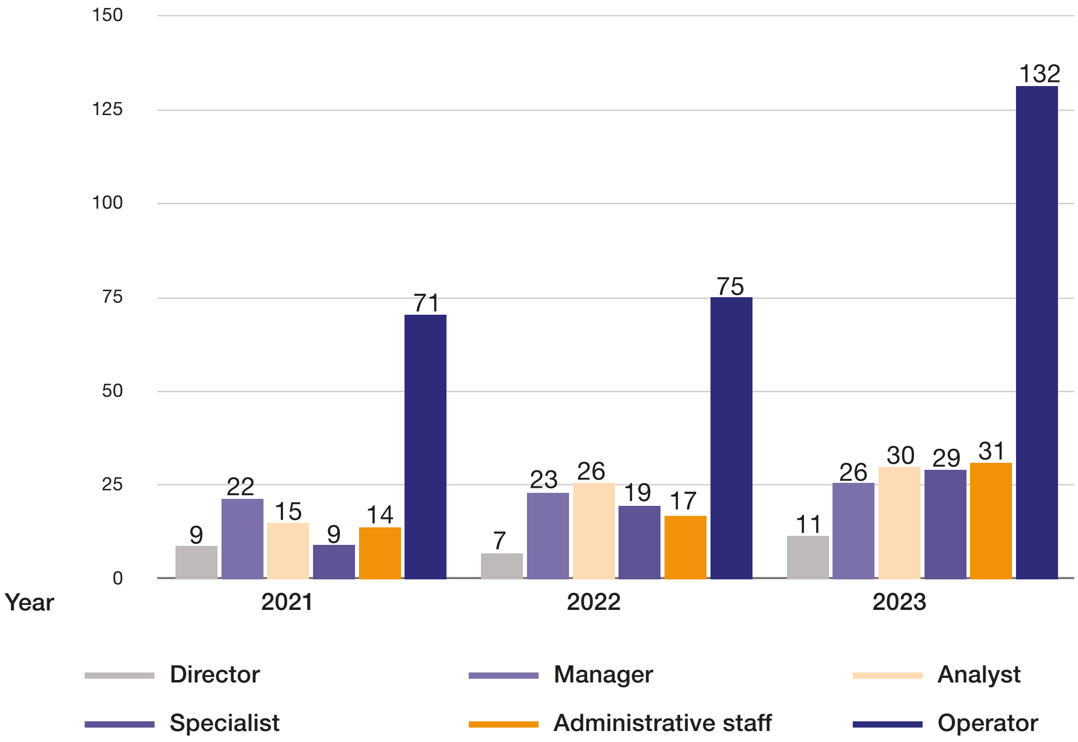
Distribution of the workforce by gender and type of contract





Stainless Steel Sink

Hours of training per year per employee



Talent attraction and retention initiatives

During this fiscal year, all the Company's job positions were evaluated under a certified system, which allows for the consolidation of the organizational structure and the provision of greater transparency in all people management processes.

Collective bargaining

The Group has collective bargaining agreements in force in all production centers, maintaining an open, fluid, and cooperative dialogue with the workers' representatives. Issues related to working conditions and health and safety, among others, are addressed. Meetings with workers' representatives are held regularly or whenever required to address a specific issue.

Employee satisfaction

In 2023, various measures were implemented to improve the working environment and employee satisfaction.

The initiatives that have been implemented include everything from flexibility measures that help with work-life balance and co-responsibility to measures that have improved communication and collaboration between different teams.

Equality, diversity, and inclusion

Relevant activities

Milestones 2023	Challenges 2024
Monitoring and evaluation of the equality plans in force (91% of execution).	Complete the initiatives agreed in the equality plans.
Provision of more impetus to female leadership initiatives (progress, promotion and women of steel programs).	Comply with the new legislation on parity in management bodies and management committees.
Female leadership initiative with involvement in specific development tasks.	Promote an awareness campaign for comprehensive protection against harassment and violence in all its forms.

Key indicators

13.28 %
Women

91 %
Equality plan actions completed

259
Employees with disabilities

The percentage of women in the workforce is up slightly on the previous year to represent 13.28% of the entire Acerinox staff. If operators are removed from the equation, women represent 32.76% of the workforce.

Acerinox has equality plans negotiated with the representatives of workers at all the Group's companies in Spain while continuing to promote specific initiatives adapted to the reality of each country where it operates.

Acerinox manages diversity and non-discrimination arising from any circumstance of a personal or social nature, through the code of conduct, the general equality, diversity and inclusion policy, the general human rights policy, and the general selection and promotion policy, taking into account the specific conditions of all the locations where it operates which, due to their geographic dispersion, present major cultural differences. Specifically, it fosters the workplace inclusion of people with different abilities. As of 2023, the Group had 259 employees with some form of disability (2022: 256 employees).

Acerinox supports the work-life balance and well-being of its employees through flexibility measures and social benefits such as life insurance, medical insurance, flexible working hours, continuous workdays, and remote work, among others.

CEO for Diversity

Bernardo Velázquez, the company's CEO, has joined the CEO Alliance for Diversity backed by the Adecco Foundation and the CEOE Foundation. This initiative's mission is to unite companies around a common and innovative vision of diversity, equity, and inclusion (DEI), as well as to accelerate the development of strategies that contribute to business excellence, the competitiveness of talent, and the reduction of inequality and exclusion in Spanish society.

Health and safety

Relevant activities

Milestones 2023	Challenges 2024
A significant reduction in the Group's accident rates: 24% LTIFR and 18.5% TRIR	Accident performance improvement pathway. TIR reduction target -26% compared to 2023
ISO 9001, 14001 and 45001 certification of our main production centers	Consolidation of HSE management system integration
Monitoring of a leading indicator panel on HSE performance	Proactive HSE and process safety indicators dashboard
Variable compensation linked to reduction of the LTIFR (group) / IRR (business unit) ratio	Variable compensation linked to reduction of TIR (group / business units)
Launch of the cardinal safety and environmental rules	Deployment of safety culture and leadership model

Safety is one of Acerinox's company values and defines the way the Group works. The commitment to employee health and safety is woven into every level of the Company, from senior management to the entire workforce. These same stringent levels are also demanded of third-party contractors.

The Group has an occupational health and safety policy, the aim of which is to reach zero accidents in operations.

In 2023, the Group worked on the roll-out of its health, safety and environment strategy for the coming five years, based on six fundamental pillars:

- Integration of the health, safety and environment management system.
- Safety-focused corporate culture.
- Health, safety and environment corporate processes.
- Structure of safety processes.
- Reduction in the environmental footprint.
- Health, safety and environment in Industry 4.0.

Key indicators

3.47	**7.91**
LTIFR* x 1,000K	TRIR**x 1,000K

*LTIFR: Lost time injury frequency rate
**TRIR: Total recordable injury frequency rate

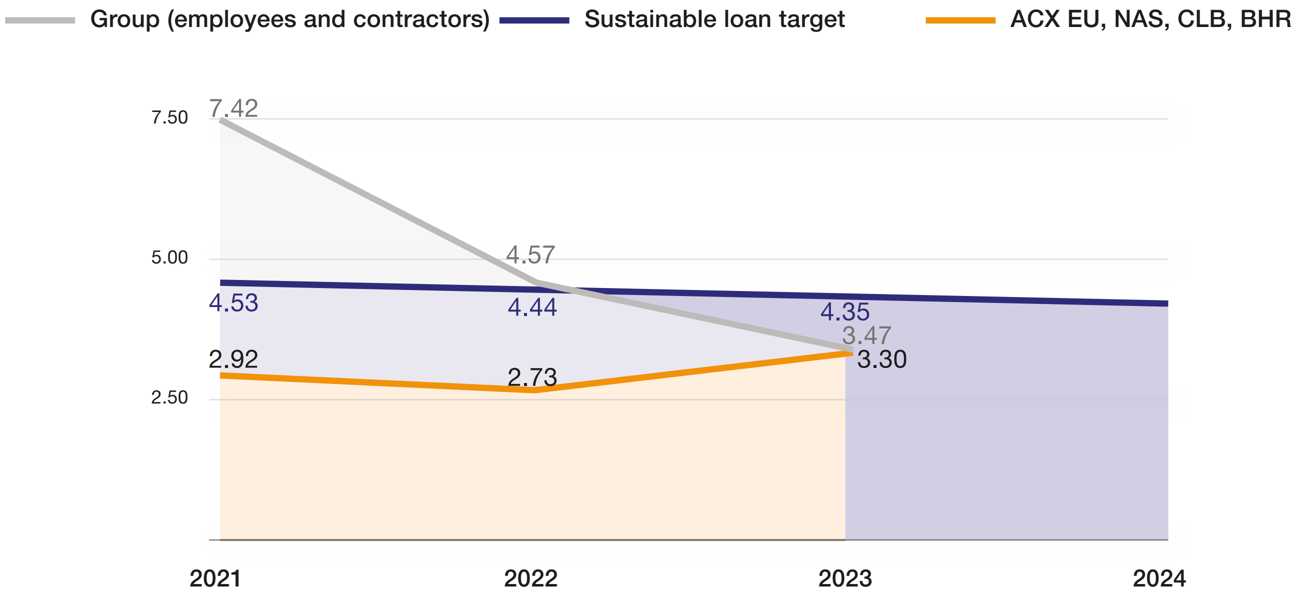
Health and safety performance continued to improve in line with the trend from previous years, recording an LTIFR reduction of 24% and TRIR reduction of 18.5% at Group level compared with 2022.

Coal transport trailer made of 3CR12 stainless steel supplied by Columbus Stainless Plant

The Group has sustainable loans linked to the improvement of its employees' accident rate. Specifically, its target is to improve the LTIFR x 1,000k indicator by 2% compared to 2022 in the factories of Acerinox Europa, North American Stainless, Columbus Stainless and Bahru Stainless; this is 3.3, and the target has already been met.

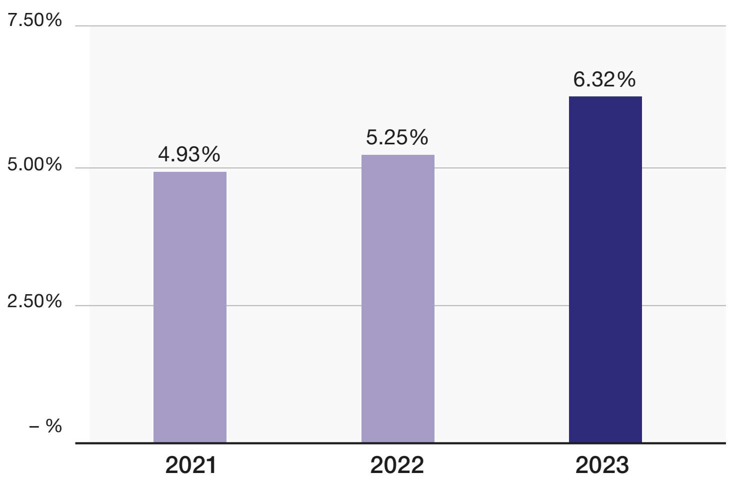
Lost time injury frequency rate (LTIFR)

LTIFR x 1,000 k



Own personal absenteeism rate (%)

Absenteeism rate (%)



Health and well-being

One of the Company's priority objectives is to promote the well-being of people in order to achieve a healthy working environment in which employees feel comfortable, satisfied and have a good quality of life. We understand well-being management as a state of balance that encompasses mental, physical, and emotional health.

Sanitary equipment made with Clean Room technology manufactured with stainless steel supplied by Acerinox Europa

FEATURED CASE

Launch of the HSE Cardinal Rules

In 2023, the Group launched its Cardinal Rules, providing a framework for ensuring safety as a common value for employees and contractors in each and every operation.

These rules are based on Acerinox's history and are simple instructions to prevent high-risk situations.

Gold World Stainless Industry Award in Safety, intelligent sensors. Bahru

The implementation of smart sensors on coil turrets increases worker safety by reducing the risk of unintended strikes or entrapment. Upon detecting the presence of employees and obstacles in the safety area, the turret movement locks down. These sensors improve productivity by reducing accidents and overall production efficiency.

FEATURED CASE

Bronze World Stainless Industry Award in Safety. NAS ergonomic lifting equipment

A detailed analysis of the loads handled at each of the workstations made it possible to establish different mechanical lifting systems to minimize ergonomic risks.

World Steel Occupational Safety and Health Excellence Recognition. Columbus

Following the spontaneous breakage of a hot roll, which caused particles to shoot out with no personal or material consequences, the Columbus team developed an innovative safety hood solution during the cooling process, improving safety and efficiency in hot rolling operations.

5.5 Supply chain

Supply chain management

Relevant activities

Milestones 2023	Challenges 2024
Approval of the code of conduct for business partners	Definition of the Company's core procurement processes, thus ensuring good management of responsible procurement
Approval of the procedure for assessing risks in the supply chain	Assessment and first report on supply chain risk status
Definition of the supplier audit methodology and execution of a pilot test	Audits of critical suppliers and sampling of non-critical suppliers to build a resilient, sustainable value chain
Optimization of procurement and contract arrangement processes and the associated costs. Deployment of the first offline electronic catalogs	Launch of a supplier portal to ensure harmonized purchasing management at global level
Awarding of the most prestigious sustainability accolade, the EcoVadis award (platinum)	Promote compliance with ESG standards in the supply chain through the Global Compact training program

The management of a sustainable supply chain is a priority for Acerinox, and one of the five pillars of the Positive Impact 360° sustainability plan. The Group works continuously to optimize monitoring in the face of increasing customer demands and in order to generate a positive impact on society.

No. of suppliers and expenditure

	2023		2022	
	Total	% Local	Total	% Local
No. of suppliers	7,702	78.59%	8,019	70.69%
Expenditure (EUR)	4,966,502,847	59.12%	5,046,443,530	70.04%

No. of suppliers evaluated with ESG criteria

	2023		2022	
	Total	% Local	Total	% Local
No. of critical suppliers* (category A)	267	3.47%	73	0.91%
No. of ESG evaluated critical suppliers	54	20.22%	23	31.50%
No. of ESG evaluated critical suppliers**	292	38%		

*Critical suppliers are defined as companies that supply products considered critical to Acerinox operations, safety, and ESG compliance.
**Comparative information is not provided since this is the first year that non-critical suppliers evaluated are reported.

Regulatory framework of the purchasing management model

The Group's procurement activities are guided by the general contracting conditions for the provision of services and the responsible procurement policy. In 2023 the code of conduct for business partners was approved, which defines Acerinox's principles and requirements with respect to its suppliers of goods and services, and vis-à-vis intermediaries, advisors and other business partners.

Purchasing strategy 2023-2027

The Group has defined a purchasing strategy for the next five years based on three pillars:

1. ESG as the core of supply chain risk management
2. Talent development
3. Fostering supplier relationships and focusing on value creation

FEATURED CASE

Sustainable supplier training program

Sustainable supplier management requires a commitment to responsible performance that ensures sustainability throughout the value chain. Standing with and supporting the companies that form part of our supply chain is a key aspect of ensuring the company's sustainability. For this reason, Acerinox is participating in the second iteration of the "Training Program: sustainable suppliers," led by the Spanish Global Compact Network.

Purchases from suppliers

EUR 4,967 million **79% of suppliers are local**

Contribution to the community

Acerinox is committed to creating value and helping build a more prosperous and sustainable environment in the local communities and countries where it is present in order to increase its positive social impact.

To achieve this goal, in 2023, the company established its social action framework to harmonize activities along five priority lines for economic growth, social sustainability and environmental protection:

- Socio-economic development.
- Social well-being of people.
- Environmental protection and recovery.
- Commitment to quality education.
- Inclusive development.

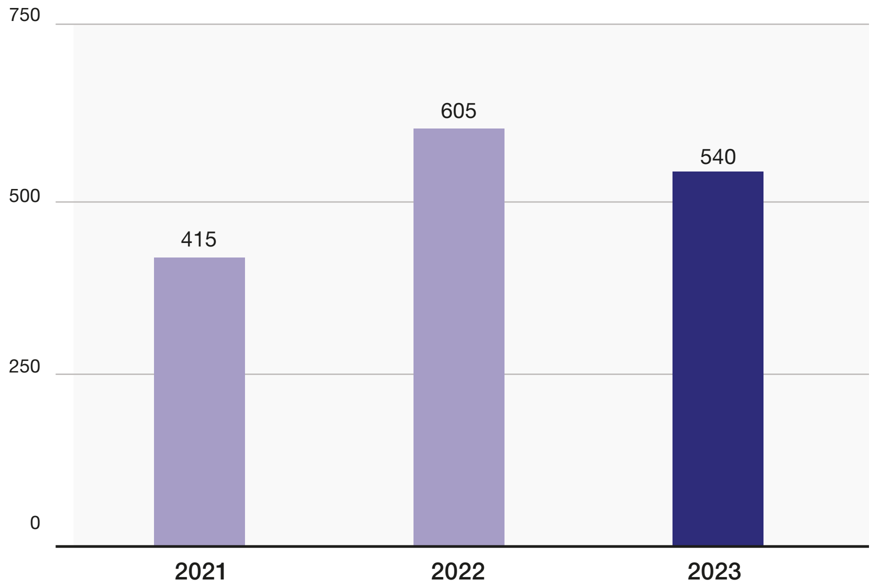
Social action management is based on dialogue with stakeholders to respond to their needs and priorities. To identify actions, priority is given to local initiatives with tangible benefits at the municipal or regional level where the facilities are located.

Brazing furnace made of stainless steel supplied by Acerinox Europa

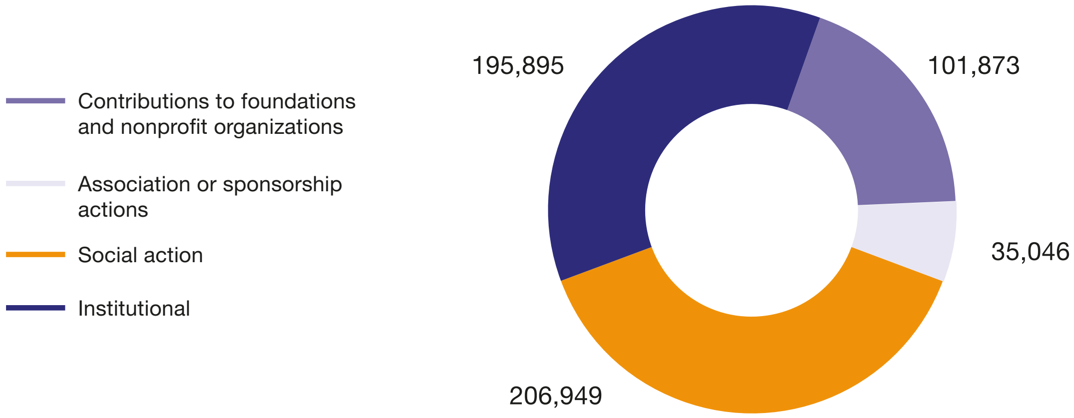
Key indicators

EUR 539,763.00 Invested in social actions

Invested in social actions



Contribution to the community



Corporate volunteering

As part of our culture and social calling, we encourage collaboration and solidarity among our employees, promoting participation in projects aimed at improving the environment and the lives of disadvantaged groups to contribute to a more egalitarian society, as well as caring for nature.

Collaboration with associations

The Acerinox Group partners with many national and international associations and organizations in order to publicize key aspects of its work, promote knowledge and positioning and share best practices in the sector. Particularly notable are its participation in the Worldsteel Association, UNESID, EUROFER, Responsible Steel, AEGE, AGI, the SERES Foundation, and others.

Roof of the Louvre Museum in Abu Dhavi made of Stainless Steel Supplied by Acerinox

FEATURED CASES

Socio-economic development

The Columbus Stainless Techno Girls program offers selected girls the opportunity to experience the working world first-hand, receive an allowance and have on-site mentoring sessions for three years. After completing the program, the beneficiaries become part of the alumni association, where they are provided support and guidance to pursue higher education, develop leadership skills, and serve as role models for future participants.

Social well-being

VDM Metals supports the Balthasar Children's and Youth Hospice. For the first time since the pandemic, the traditional charity run around the Altena plant was held. The participants covered a total distance of about 400 km. The proceeds were donated to the hospice to strengthen its services.

Biodiversity preservation

Acerinox Europa employees and their families participated in a reforestation day in the Los Alcornocales National Park, Europe's only subtropical forest, which is threatened by serious problems such as drought. The "Sowing the Future" solidarity initiative promotes environmental awareness among our employees and children.

Commitment to education

Collaboration with the A LA PAR Foundation

Acerinox continues to collaborate with the A LA PAR Foundation to jointly carry out activities that improve the quality of life of people with intellectual disabilities. Such initiatives notably include Funda Market, a solidarity market where products made by members from the Foundation combine with more than 50 brands to produce a weekend agenda for the whole family. In addition, we also held Family Day, where employees and their families participated in various activities at the foundation.

For the first time, Acerinox participated in the CAMPVS program, which aims to facilitate access to the workforce for students with intellectual disabilities. Company volunteers mentored the students in one-on-one meetings to help bring the working world closer. With this initiative, Acerinox wants to play a leading role in the project and contribute to closing the inequality gap.

BA interior line at the Acerinox Europa Plant

Bahru Stainless factory in Johor Bahru (Malaysia)


ACERINOX

ACERINOX, S.A.
and its subsidiaries

Independent verification report
Consolidated Non-Financial Information Statement

31 December 2023

The Annexes of the Annual Integrated Report 2023 can be consulted on the corporate website:
https://www.acerinox.com

This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Independent verification report

To the shareholders of Acerinox, S.A.:

Pursuant to article 49 of the Code of Commerce, we have verified, with the scope of a limited assurance engagement, the Consolidated Non-Financial Information Statement ('NFIS') for the year ended 31 December 2023 of Acerinox, S.A. (Parent company) and subsidiaries (hereinafter Acerinox Group or the Group) which forms part of the accompanying Integrated Annual Report (hereinafter Annual Report), included in the Acerinox Group's consolidated management report.

The content of the Annual Report includes information additional to that required by current mercantile legislation in relation to non-financial information, which has not been covered by our verification work. In this respect, our work was limited solely to verifying the information identified in 'GRI Table of Contents', 'SASB Table of contents' and the 'NFIS Table of contents' included in the accompanying Annual Report.

Responsibility of the administrators and directors of the Parent company

The preparation of the NFIS included in Acerinox Group's consolidated management report and the content thereof, are the responsibility of the administrators and directors of Acerinox, S.A. The NFIS has been drawn up in accordance with the provisions of current mercantile legislation and in accordance with the criteria of the Sustainability Reporting Standards of the Global Reporting Initiative ('GRI Standards') as well as the Sustainability and Accounting Standards Board (SASB) 'Iron & Steel Producers' industry Standard version 2018-10 selected, described as per the details provided for each matter in the tables 'GRI table of Contents', 'SASB table of contents' and the 'NFIS table of contents' of the Annual Report.

This responsibility also includes the design, implementation and maintenance of the internal control considered necessary to allow the NFIS to be free of material misstatement due to fraud or error.

The administrators and directors of Acerinox, S.A. is also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the NFIS is obtained.

Our independence and quality management

We have complied with the independence requirements and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code of Ethics) which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

PricewaterhouseCoopers Auditores, S.L., Torre PwC, Pº de la Castellana 259 B, 28046 Madrid, España
Tel.: +34 915 684 400 / +34 902 021 111, Fax: +34 915 685 400, www.pwc.es

R. M. Madrid, hoja M-63.988, folio 75, tomo 9.267, libro 8.054, sección 3ª
Inscrita en el R.O.A.C. con el número S0242 - NIF: B-79031290

Acerinox, S.A. and its subsidiaries

Our firm applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement team consisted of professionals specialising in Non-financial Information reviews, specifically in information on economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in a limited assurance independent report based on the work we have performed. We carried out our work in accordance with the requirements laid down in the current International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements other than Audits or Reviews of Historical Financial Information (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and in the Guidelines for verification engagements of the Statement of Non-Financial Information issued by the Spanish Institute of Auditors ('Instituto de Censores Jurados de Cuentas de España').

In a limited assurance engagement, the procedures performed vary in nature and timing of execution, and are less extensive, than those carried out in a reasonable assurance engagement and accordingly, the assurance provided is also lower.

Our work consisted of posing questions to management as well as to the various units of Acerinox Group that were involved in the preparation of the NFIS, of the review of the processes for compiling and validating the information presented in the NFIS, and in the application of certain analytical procedures and review procedures on a sample basis, as described below:

- Meetings with the Acerinox, S.A. personnel to understand the business model, policies and management approaches applied, principal risks relating to these matters and to obtain the information required for the external review.
- Analysis of the scope, relevance and integrity of the content of the NFIS for the year 2023, based on the materiality analysis carried out by Acerinox Group and described in section 'Materiality Analysis', taking into account the content required by current mercantile legislation.
- Analysis of the procedures used to compile and validate the information presented in the NFIS for the year 2023.
- Review of information relating to risks, policies and management approaches applied in relation to material matters presented in the NFIS for the year 2023.
- Verification, by means of sample testing, of the information relating to the content of the NFIS for the year 2023 and that it was adequately compiled using data provided by the sources of the information.
- Obtaining a management representation letter from the and management of the Parent company.

2

Acerinox, S.A. and its subsidiaries

Conclusion

Based on the procedures performed in our verification and the evidence we have obtained, nothing has come to our attention that causes us to believe that the NFIS of Acerinox, S.A. and its subsidiaries, for the year ended 31 December 2023 has not been prepared, in all material respects, in accordance with the provisions of current mercantile legislation and in accordance with the criteria of GRI as well as the Sustainability and Accounting Standards Board (SASB) 'Iron & Steel Producers' industry Standard version 2018-10 selected, described as per the details provided for each matter in the 'GRI Table of Contents', 'SASB Table of contents' and the 'NFIS Table of contents' of the aforementioned Annual Report.

Emphasis of matter

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 relating to the establishment of a framework to facilitate sustainable investments, as well as the Delegated Acts promulgated in accordance with the provisions of the aforementioned Regulation, establish the obligation to disclose information on the manner and extent to which the company's activities are associated with eligible economic activities in relation to the environmental objectives of sustainable use and protection of water and marine resources, transition to a circular economy, prevention and control of pollution and protection and restoration of biodiversity and ecosystems (the rest of the environmental objectives), and with respect to certain new activities included in the objectives of mitigation and adaptation to climate change, for the first time for the 2023 financial year, in addition to the information referring to eligible and aligned activities already required in the 2022 financial year in relation to the objectives of climate change mitigation and climate change adaptation. Consequently, comparative information on eligibility in relation to the rest of the environmental objectives indicated above or on new activities included in the objectives of climate change mitigation and climate change adaptation, has not been included in the accompanying NFIS. Furthermore, to the extent that the information relating to the 2022 financial year was not required with the same level of detail as in the 2023 financial year, the information disclosed in the accompanying NFIS is not strictly comparable either. In addition, it should be noted that Acerinox, S.A.'s administrators and directors have incorporated information on the criteria that, in their opinion, allow for improved compliance with the aforementioned obligations and which have been defined in the sections '4.6 European taxonomy on sustainable finance' and '6.3 Information regarding the European taxonomy' of the accompanying NFIS. Our conclusion has not been modified in relation to this matter.

Use and distribution

This report has been drawn up in response to the requirement established in current Spanish mercantile legislation and therefore may not be suitable for other purposes and jurisdictions.

PricewaterhouseCoopers Auditores, S.L.

Original in Spanish signed by
Margarita de Rosselló Carril

29 February 2024

ACERINOX, S.A.
and Subsidiaries

Annual Accounts
of the Consolidated Group
for the year ended 31 December 2023

Auditor´s Report

The Notes to the Consolidated Financial Statements of Acerinox, S.A. and its subsidiaries for Financial Year 2023 can be consulted on the corporate website: https://www.acerinox.com

(The attached External Auditor's Report, Consolidated Annual Accounts and Consolidated Management Report for the fiscal year ended 31 December 2023, have been originally issued in Spanish. The English version is not considered official or regulated financial information. In the event of discrepancy, the Spanish-language version prevails.)

This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Independent auditor's report on the consolidated annual accounts

To the shareholders of Acerinox, S.A.

Report on the consolidated annual accounts

Opinion

We have audited the consolidated annual accounts of Acerinox, S.A. (the Parent company) and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2023, and the profit or loss account, statement of comprehensive income, statement of changes in equity, cash flow statement and related notes, all consolidated, for the year then ended.

In our opinion, the accompanying consolidated annual accounts present fairly, in all material respects, the equity and financial position of the Group as at 31 December 2023, as well as its financial performance and cash flows, all consolidated, for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated annual accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the consolidated annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated annual accounts of the current period. These matters were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key audit matters	How our audit addressed the key audit matters
VDM Metals Group goodwill recovery	
As indicated in notes 2.7, 2.11 and 7.1 of the attached consolidated report, as of December 31, 2023 there is goodwill that fundamentally includes that arising from the acquisition of 100% of the interest in the company VDM Metals Holding, Gmbh for an amount of 49,829 thousand euros. The Group Management has estimated the recoverable value of said goodwill (note 2.11 of the attached consolidated report). To calculate the recoverable value, the Group's Management has used cash flow projections based on financial budgets that have required relevant judgments and estimates that include, among others, the operating result on sales and long-term discount and growth rates. The most significant assumptions used by Group Management and the sensitivity analyzes carried out are summarized in note 7.1 of the attached consolidated report. Deviations in these variables and management estimates may determine important variations in the calculations made and, therefore, in the goodwill recovery analyses. This fact, together with the relevance of this financial statement line item, drives it to be a key audit matter.	On the first place, we have proceeded to understand the relevant processes and controls linked to the evaluation of the deterioration in goodwill by the Group Management, including those related to the preparation of budgets and the analysis and monitoring of projections, which They constitute the basis for the main judgments and estimates made by the Group's Management. In relation to the estimated cash flows, we have analyzed the methodology of the calculations made, we have compared the projected annual flows with those actually achieved in fiscal year 2023, and we have contrasted the key assumptions used by the Group's Management with historical, comparable results. available, relevant industry factors and other external sources. To do this, we have relied on valuation experts from our firm. Additionally, we have evaluated the reasonableness of the sensitivity disclosed in the accompanying consolidated annual accounts. As a result of the analyzes performed, we consider that the conclusions of the Group Management regarding the estimates made and the information disclosed in the accompanying consolidated annual accounts are adequately supported and consistent with the information currently available.
Recovery of property, plant and equipment	
As indicated in notes 2.11 and 8.1 of the attached consolidated report, the Group Management evaluates at the end of each year whether there are indications of impairment of the value of property, plant and equipment. If such indication exists, Group Management estimates its recoverable amount. Note 8.1 details the Cash-Generating Units (CGUs) that show signs of impairment.	As a starting point for our procedures, we have understood the relevant processes and controls linked to the evaluation of impairments in property, plant and equipment by the Group Management, including those linked to the preparation of budgets and the analysis and monitoring of projections, which constitute the basis for the main judgments and estimates made by the Group Management.

Key audit matters	How our audit addressed the key audit matters
For calculations of recoverable value through value in use, Group Management uses cash flow projections based on financial budgets that require relevant judgments and estimates. In the cases of Bahru Stainless Sdn. Bhd. and Acerinox Europa, SA, the Group's Management has relied on an independent expert. The most significant assumptions and sensitivity analyzes performed are summarized in note 8.1 of the attached consolidated report. As a result of the analysis carried out and as mentioned in said note 8.1, in fiscal year 2023 an impairment of 156,207 thousand euros has been recorded on the net assets of the CGU of Bahru Stainless Sdn. Bhd. The accumulated impairment at the end of fiscal year 2023 amounts to 489,435 thousand euros. Deviations in the variables and estimates indicated above may determine important variations in the conclusions reached and, therefore, in the recovery analysis of property, plant and equipment. This fact, together with the relevance of this financial statement line item and the consequent impariment registered, motivates it to be a key audit matter.	In relation to the estimated cash flows, we have analyzed the methodology of the calculations performed, we have compared the projected annual flows with those actually achieved in fiscal year 2023 and we have contrasted the key assumptions considered, with historical results, available comparables, relevant factors of industry and other external sources. For this, we have relied on valuation experts from our firm. In addition, we have analyzed the future plans approved by the Board of Directors. Likewise, we have evaluated the competence, capacity, objectivity and conclusions of the independent expert hired by the Group Management, as well as the adequacy of their work as audit evidence. Additionally, we have evaluated the reasonableness of the sensitivity analyzes disclosed in the accompanying consolidated annual accounts. As a result of the procedures performed, we consider that the conclusions of the Group Management regarding the estimates made and the consequent deterioration recorded, as well as the information revealed in the attached consolidated annual accounts, are adequately supported and consistent with the information currently available.
Recognition of deferred tax assets	
As of December 31, 2023, the attached consolidated annual accounts reflect an amount of 169,266 thousand euros of deferred tax assets, net of an amount of 53,823 thousand euros of deferred tax liabilities, the recovery of which depends on the generation of positive tax bases in Corporate Tax in future years (notes 2.19, 3.f and 19.3.3 of the attached consolidated report), in accordance with the applicable tax regulations. Likewise, note 19.3.2 of the attached consolidated report details the unrecognized tax credits. The recognition of these deferred tax assets is analyzed by the Group Management by estimating the tax bases for the coming years, based on the business plans of the different Group companies and the planning possibilities allowed by tax legislation. applicable to each company and to the consolidated tax group headed by the Parent Company.	First, we have proceeded to understand and evaluate the criteria used by the Group Management to estimate the possibilities of use and recovery of deferred tax assets in the following years, affected by the business plans. Based on the business plans prepared by the Group Management, we have compared the projected annual flows with those actually achieved in fiscal year 2023 and we have contrasted the key assumptions, estimates and calculations made for their preparation, comparing them with the historical performance, comparable available, relevant industry factors and other external sources. As part of the analysis, we have also evaluated the tax adjustments considered for the estimation of tax bases, the applicable tax regulations, as well as decisions about the possibilities of using the tax benefits corresponding to the different companies of the Group.

Key audit matters	How our audit addressed the key audit matters
Consequently, the conclusion on the recognition of deferred tax assets shown in the attached consolidated balance sheet is subject to significant judgments and estimates by the Group Management both with respect to future tax results and the applicable tax regulations. in the different jurisdictions where it operates. Given the relevance of the amount recognized and pending recognition, the significant judgments required and estimates necessary for the calculation of future tax bases, the recognition of deferred tax assets is a key matter of our audit.	The analysis performed have made it possible to verify that the calculations and estimates made by the Group Management, as well as the conclusions reached, in relation to the recognition of deferred tax assets, are consistent with the current situation, with the expectations of future results of the Group and with its tax planning possibilities available in the current legislation.

Other information: Consolidated management report

Other information comprises only the consolidated management report for the 2023 financial year, the formulation of which is the responsibility of the Parent company's directors and does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated management report. Our responsibility regarding the consolidated management report, in accordance with legislation governing the audit practice, is to:

a) Verify only that the consolidated statement of non-financial information, certain information included in the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, as referred to in the Auditing Act, have been provided in the manner required by applicable legislation and, if not, we are obliged to disclose that fact.

b) Evaluate and report on the consistency between the rest of the information included in the consolidated management report and the consolidated annual accounts as a result of our knowledge of the Group obtained during the audit of the aforementioned financial statements, as well as to evaluate and report on whether the content and presentation of this part of the consolidated management report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

On the basis of the work performed, as described above, we have verified that the information mentioned in section a) above has been provided in the manner required by applicable legislation and that the rest of the information contained in the consolidated management report is consistent with that contained in the consolidated annual accounts for the 2023 financial year, and its content and presentation are in accordance with applicable regulations.

Responsibility of the directors and the audit commission for the consolidated annual accounts

The Parent company's directors are responsible for the preparation of the accompanying consolidated annual accounts, such that they fairly present the consolidated equity, financial position and financial performance of the Group, in accordance with IFRS-EU and other provisions of the financial reporting framework applicable to the Group in Spain, and for such internal control as the aforementioned directors determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Parent company's directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the aforementioned directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Parent company's audit commission is responsible for overseeing the process of preparation and presentation of the consolidated annual accounts.

Auditor's responsibilities for the audit of the consolidated annual accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with legislation governing the audit practice in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual accounts.

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent company's directors.

- Conclude on the appropriateness of the Parent company's directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Parent company's audit commission regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Parent company's audit commission with a statement that we have complied with relevant ethical requirements, including those relating to independence, and we communicate with the aforementioned those matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Parent company's audit commission, we determine those matters that were of most significance in the audit of the consolidated annual accounts of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

European single electronic format

We have examined the digital files of the European single electronic format (ESEF) of Acerinox, S.A. and its subsidiaries for the 2023 financial year that comprise an XHTML file which includes the consolidated annual accounts for the financial year and XBRL files with tagging performed by the entity, which will form part of the annual financial report.

The directors of Acerinox, S.A. are responsible for presenting the annual financial report for the 2023 financial year in accordance with the formatting and markup requirements established in the Delegated Regulation (EU) 2019/815 of 17 December 2018 of the European Commission (hereinafter the ESEF Regulation). In this regard, the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration have been incorporated by reference in the consolidated management report.

Our responsibility is to examine the digital files prepared by the Parent company's directors, in accordance with legislation governing the audit practice in Spain. This legislation requires that we plan and execute our audit procedures in order to verify whether the content of the consolidated annual accounts included in the aforementioned digital files completely agrees with that of the consolidated annual accounts that we have audited, and whether the format and markup of these accounts and of the aforementioned files has been effected, in all material respects, in accordance with the requirements established in the ESEF Regulation.

In our opinion, the digital files examined completely agree with the audited consolidated annual accounts, and these are presented and have been marked up, in all material respects, in accordance with the requirements established in the ESEF Regulation.

Report to the audit commission of the Parent company

The opinion expressed in this report is consistent with the content of our additional report to the audit commission of the Parent company dated 28 February 2024.

Appointment period

The General Ordinary Shareholders' Meeting held on 23 May 2023 appointed us as auditors of the Group for a period of one year, for the year ended 31 December 2023.

Previously, we were appointed by resolution of the General Ordinary Shareholders' Meeting for a period of tres years and we have audited the accounts continuously since the year ended 31 December 2017.

Services provided

Services provided to the Group for services other than the audit of the accounts are disclosed in note 21 to the consolidated annual accounts.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Original in Spanish signed by

Jon Toledano Irigoyen (20518)

29 February 2024

CONSOLIDATED ANNUAL ACCOUNTS

CONSOLIDATED FINANCIAL STATEMENTS

1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Amounts in thousands of euros at 31 December 2023 and 2022)

	Note	2023	2022
ASSETS			
Non-current assets			
Goodwill	7	51,064	51,064
Other intangible assets	7	41,339	43,437
Property, plant and equipment	8	1,471,899	1,649,607
Investment property	9	9,668	9,916
Rights of use assets	10	18,851	16,207
Investments accounted for using the equity method	5.3	390	390
Financial assets at fair value through other comprehensive income	12	381	394
Deferred tax assets	19	169,266	101,225
Other non-current financial assets	12	14,231	30,188
TOTAL NON-CURRENT ASSETS		**1,777,089**	**1,902,428**
Current assets			
Inventories	11	1,860,535	2,155,542
Trade and other receivables	12	626,273	637,833
Other current financial assets	12	27,683	51,534
Current income tax assets	19	13,506	22,770
Cash and cash equivalents	13	1,793,683	1,548,040
TOTAL CURRENT ASSETS		**4,321,680**	**4,415,719**
TOTAL ASSETS		**6,098,769**	**6,318,147**

The accompanying Notes 1 to 22 are an integral part of these Consolidated Annual Accounts.

(Amounts in thousands of euros at 31 December 2023 and 2022)

	Note	2023	2022
LIABILITIES			
Equity			
Subscribed capital	14	62,334	64,931
Issue premium	14	268	268
Reserves	14	2,199,849	1,920,753
Profit/(loss) for the year	14	228,128	556,054
Interim dividend	14	-77,261	-74,799
Translation differences	14	-7,990	93,923
Other equity instruments	14	4,157	3,695
Shares of the parent	14	-1,055	-90,728
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY		**2,408,430**	**2,474,097**
Non-controlling interests	14	54,696	73,596
TOTAL EQUITY	14	**2,463,126**	**2,547,693**
Non-current liabilities			
Deferred income	15	36,347	27,465
Issuance of debentures and other marketable securities	12	-	74,850
Bank borrowings	12	1,291,156	1,319,182
Long-term provisions	16	179,994	159,058
Deferred tax liabilities	19	205,901	227,784
Other non-current financial liabilities	12	19,799	14,971
TOTAL NON-CURRENT LIABILITIES		**1,733,197**	**1,823,310**
Current liabilities			
Issuance of debentures and other marketable securities	12	76,584	1,634
Bank borrowings	12	767,147	592,858
Trade and other payables	12	951,118	1,181,440
Current income tax liabilities	19	12,601	58,295
Other current financial liabilities	12	94,996	112,917
TOTAL CURRENT LIABILITIES	12	**1,902,446**	**1,947,144**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	12	**6,098,769**	**6,318,147**

The accompanying Notes 1 to 22 are an integral part of these Consolidated Annual Accounts.

2. CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(Amounts in thousands of euros at 31 December 2023 and 2022)

	Note	2023	2022
Revenue	**17**	**6,607,978**	**8,688,494**
Other operating income	17	92,198	41,025
Work performed by the Group on non-current assets	17	7,825	27,371
Changes in inventories of finished goods and work in progress		-152,080	211,473
Supplies		-4,282,109	-5,844,532
Staff costs	17	-636,546	-653,763
Depreciation and amortisation charge	7,8,9,10	-171,130	-192,935
Other operating expenses	17	-935,776	-1,197,459
Impairment of assets	7.8	-156,207	-203,905
OPERATING INCOME		**374,153**	**875,769**
Finance income	18	79,646	26,073
Finance costs	18	-101,044	-62,799
Exchange differences	18	2,273	-4,624
Revaluation of financial instruments at fair value	18	317	-3,141
Impairment and loss on disposal of financial instruments	18	-	-3
PROFIT FROM ORDINARY ACTIVITIES		**355,345**	**831,275**
Income tax	19	-138,105	-260,412
Other taxes	19	-273	-477
PROFIT/(LOSS) FOR THE YEAR		**216,967**	**570,386**
Attributable to:			
NON-CONTROLLING INTERESTS		**-11,161**	**14,332**
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP		**228,128**	**556,054**
Basic and diluted earnings per share (in euros)	14.9	0.92	2.16

The accompanying Notes 1 to 22 are an integral part of these Consolidated Annual Accounts.

3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Amounts in thousands of euros at 31 December 2023 and 2022)

	Note	2023	2022
A) RESULTS OF THE STATEMENT OF PROFIT OR LOSS		**216,967**	**570,386**
B) OTHER COMPREHENSIVE INCOME - ITEMS NOT RECLASSIFIED TO PROFIT OR LOSS FOR THE PERIOD		**-5,980**	**30,008**
1. Arising from valuation of equity instruments at fair value through other comprehensive income	12.2.5	-	502
2. Arising from actuarial gains and losses and other adjustments	16.1	-8,906	43,999
3. Tax effect	19	2,926	-14,493
C) OTHER COMPREHENSIVE INCOME - ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS FOR THE PERIOD		**-140,570**	**142,522**
1. Arising from cash flow hedges			
- Valuation gains / (losses)	12.2.6	-11,650	55,500
- Amounts transferred to the statement of profit or loss	12.2.6	-32,402	-1,776
2. Translation differences			
- Valuation gains / (losses)		-109,680	103,481
- Amounts transferred to the statement of profit or loss			
3. Tax effect	19	13,162	-14,683
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**70,417**	**742,916**
a) Attributed to the parent company		89,345	729,173
b) Attributed to non-controlling interests		-18,928	13,743

The accompanying Notes 1 to 22 are an integral part of these Consolidated Annual Accounts.

4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Amounts in thousands of euros at 31 December 2023 and 2022)

		Equity attributable to shareholders of the parent company													
		Subscribed capital	Issue premium	Retained earnings reserves (includes profit/(loss) for the year)	Reserves for revaluation of non-current assets	Cash flow hedge reserves	Fair value adjustments to financial assets	Reserve for actuarial adjustments	Translation differences	Other equity instruments	Treasury shares	Interim dividend	TOTAL	Non-controlling interests	TOTAL EQUITY
Equity 31/12/2021		67,637	268	2,094,072	5,242	-272	-370	5,820	-10,154	3,048	-10,251	0	2,155,040	59,822	2,214,862
Profit/(loss) for the year 2022	**Note**			556,054									556,054	14,332	570,386
Financial assets at fair value through other comprehensive income (net of tax)	12.2.5						370						370		370
Cash flow hedges (net of tax)	12.2.6					39,041							39,041		39,041
Actuarial valuation of employee benefit obligations (net of tax)	16.1							29,631					29,631	7	29,638
Translation differences	14.4								104,077				104,077	-596	103,481
Income and expenses recognised in equity						39,041	370	29,631	104,077				173,119	-589	172,530
Total comprehensive income				556,054	0	39,041	370	29,631	104,077	0	0	0	729,173	13,743	742,916
Interim dividend	14.2											-74,799	-74,799		-74,799
Dividends paid	14.2			-129,850									-129,850		-129,850
Transactions with shareholders		0	0	-129,850	0	0	0	0	0	0	0	-74,799	-204,649	0	-204,649
Acquisition of treasury shares	14.1										-206,005		-206,005		-206,005
Amortisation of treasury shares	14.1	-2,706		-121,588							124,294		0		0
Long-term incentive plan for senior executives	16.1.3			-810						647	1,234		1,071	31	1,102
Hyperinflation adjustments	14.6			973									973		973
Result of sale of financial assets at fair value through other comprehensive income	12.2.5			-803									-803		-803
Other changes	14.4			-703									-703		-703
Equity 31/12/2022		64,931	268	2,397,345	5,242	38,769	0	35,451	93,923	3,695	-90,728	-74,799	2,474,097	73,596	2,547,693
Profit/(loss) for the year 2023		0	0	228,128	0	0	0	0	0	0	0	0	228,128	-11,161	216,967
Cash flow hedges (net of tax)	12.2.6					-30,890							-30,890		-30,890
Actuarial valuation of employee benefit obligations (net of tax)	16.1							-5,980					-5,980		-5,980
Translation differences	14.4								-101,913				-101,913	-7,767	-109,680
Income and expenses recognised in equity						-30,890		-5,980	-101,913				-138,783	-7,767	-146,550
Total comprehensive income		0	0	228,128	0	-30,890	0	-5,980	-101,913	0	0	0	89,345	-18,928	70,417
Interim dividend												-77,261	-77,261		-77,261
Dividends paid	14.2			-149,562								74,799	-74,763		-74,763
Transactions with shareholders		0	0	-149,562	0	0	0	0	0	0	0	-2,462	-152,024	0	-152,024
Acquisition of treasury shares	14.1										-2,084		-2,084		-2,084
Amortisation of treasury shares	14.1	-2,597		-88,088							90,685		0		0
Long-term incentive plan for senior executives	16.1.3			-769						462	1,072		765	28	793
Hyperinflation adjustments	14.6			1,028									1,028		1,028
Other changes	14.4			-2,693		2		-6					-2,697		-2,697
Equity 31/12/2023		62,334	268	2,385,389	5,242	7,881	0	29,465	-7,990	4,157	-1,055	-77,261	2,408,430	54,696	2,463,126

The accompanying Notes 1 to 22 are an integral part of these Consolidated Annual Accounts.

5. CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in thousands of euros at 31 December 2023 and 2022)

CASH FLOWS FROM OPERATING ACTIVITIES	Note	2023	2022
Profit (loss) before tax		**355,345**	**831,275**
Adjustments to the result:			
Depreciation of fixed assets	7,8,9,10	171,130	192,935
Impairment losses	8.11	122,812	290,561
Changes in provisions		7,033	19,130
Allocation of subsidies	15	-9,186	-7,522
Gain or loss on disposal of fixed assets	8.9	1,895	150
Gain (loss) on disposal of financial instruments		-	3
Changes in fair value of financial instruments		-4,313	3,238
Finance income	18	-79,646	-26,074
Finance costs	18	97,786	62,799
Other income and expenses		-25,154	-14,715
Variations in working capital:			
(Increase)/decrease in trade and other receivables		20,818	194,322
(Increase) / decrease in inventories		294,780	-432,423
Increase / (decrease) in trade and other payables		-235,071	-306,199
Other cash flows from operating activities			
Interest payments		-82,468	-50,050
Interest income		78,966	24,890
Income tax paid		-233,251	-238,237
NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES		**481,476**	**544,083**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		-171,921	-134,044
Acquisition of intangible fixed assets		-2,982	-2,673
Acquisition of other financial assets		-848	-1,811
Proceeds from disposal of property, plant and equipment		1,045	2,004
Proceeds from disposal of other financial assets		5	10,158
Dividends received		5	866
NET CASH FLOWS PROVIDED BY INVESTING ACTIVITIES		**-174,696**	**-125,500**
Acquisition of treasury shares	14	-2,084	-206,004
Collection of third-party resources	12.2.3	392,687	1,028,740
Repayment of interest-bearing liabilities	12.2.3	-246,607	-908,921
Dividends paid	14	-149,562	-129,850
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		**-5,566**	**-216,035**
NET INCREASE IN CASH AND CASH EQUIVALENTS		**301,214**	**202,548**
Cash and cash equivalents at beginning of year	13	1,548,040	1,274,929
Effect of changes in exchange rates		-55,571	70,563
CASH AND CASH EQUIVALENTS AT YEAR-END	**13**	**1,793,683**	**1,548,040**

The accompanying Notes 1 to 22 are an integral part of these Consolidated Annual Accounts.

Governing Bodies

Composition of the Board of Directors

Chairman

Carlos Ortega Arias-Paz

Chief Executive Officer:

Bernardo Velázquez Herreros

Members Of The Board:

Rosa María García Piñeiro

Laura González Molero

Francisco Javier García Sanz

Tomás Hevia Armengol

Leticia Iglesias Herraiz

George Donald Johnston

Marta Martínez Alonso

Santos Martínez-Conde Gutiérrez-Barquín

Pedro Sainz de Baranda Riva

Secretary Of The Board:

Luis Gimeno Valledor

The Executive Committee

Carlos Ortega Arias-Paz (Chairman)

Bernardo Velázquez Herreros

Rosa María García Piñeiro

Franciso Javier García Sanz

George Donald Johnston

Santos Martínez-Conde Gutiérrez-Barquín

Secretary:

Luis Gimeno Valledor

The Appointments, Remuneration and Corporate Governance Committee

Laura González Molero (Chairwoman)

Francisco Javier García Sanz

Santos Martínez-Conde Gutiérrez-Barquín

Pedro Sainz de Baranda Riva

Secretary:

Luis Gimeno Valledor

Audit Committee

Leticia Iglesias Herraiz (Chairwoman)

Laura González Molero

George Donald Johnston

Tomás Hevia Armengol

Secretary:

Luis Gimeno Valledor

The Sustainability Committee

Rosa Mª García Piñeiro (Chairwoman)

Tomás Hevia Armengol

Leticia Iglesias Herraiz

Marta Martínez Alonso

Pedro Sainz de Baranda Riva

Secretary:

Luis Gimeno Valledor

Acerinox Board of Directors held on 23rd May 2023

Management Committee

At December 31, 2023, the following members sat on the Acerinox Management Committee:

Mr. Bernardo Velázquez
Chief Executive Officer

Ms. Lucía Alonso de Noriega
Internal Audit

Mr. Daniel Azpitarte
Chief Integration Officer

Ms. Esther Camós
Consolidation, Budgeting and Taxation

Mr. José Campuzano
Health, safety and environment

Mr. Carlos Castillo
Legal Advice

Ms. Marisa Dafauce
Human Resources

Mr. Mark Davis
CEO of Bahru Stainless

Mr. Antonio Fernández de Mesa
Treasury

Mr. Miguel Ferrandis
Chief Financial Officer

Mr. Cristóbal Fuentes
CEO of North American Stainless

Mr. Juan García
Risks

Mr. Rodrigo García-Vega
Compliance

Mr. Antonio Gayo
Strategy

Mr. Luis Gimeno
Secretary General and Secretary of the Board

Mr. Fernando Gutiérrez
CEO of Acerinox Europa

Mr. Carlos Lora-Tamayo
Investor Relations and Communication

Mr. Carlos Marqués
Raw material purchases

Mr. Niclas Müller
CEO of VDM Metals

Ms. Deniza Puce
Indirect Purchases

Mr. Alberto Ruiz
Cybersecurity

Mr. Carlos Ruiz
Sustainability

Mr. Johan Strydom
CEO of Columbus Stainless

Ms. Isabel Vaca
Information Systems

Melting Shop in Nas

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