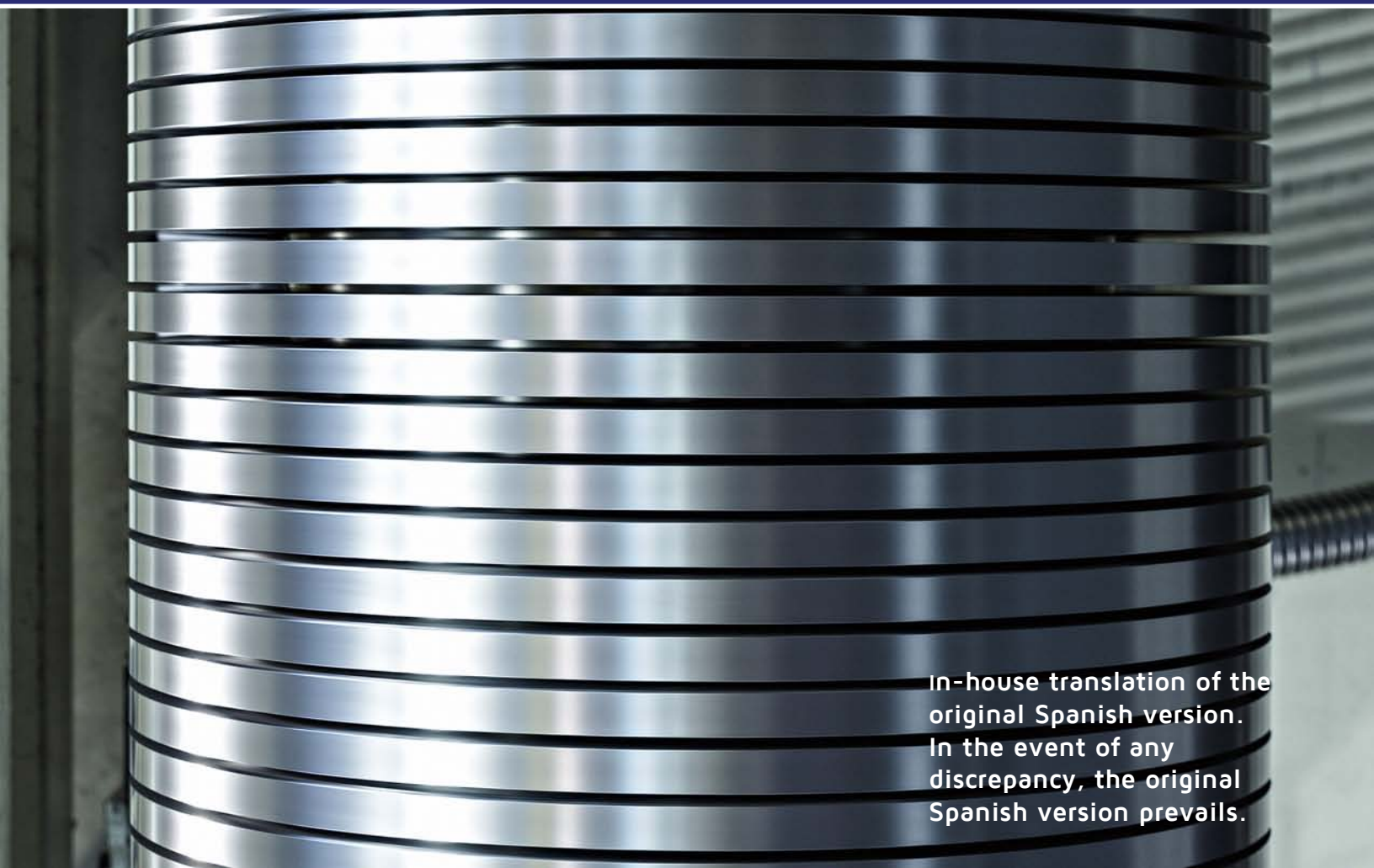
Consolidated Management Report ACERINOX Fiscal year 2024



In-house translation of the original Spanish version. In the event of any discrepancy, the original Spanish version prevails.

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Acerinox in figures

15 factories

27 warehouses

28 service centers

60 sales offices

52 countries in which the sales network operates

Operations in **5** continents

63 employee nationalities

€4,396 million purchases from suppliers

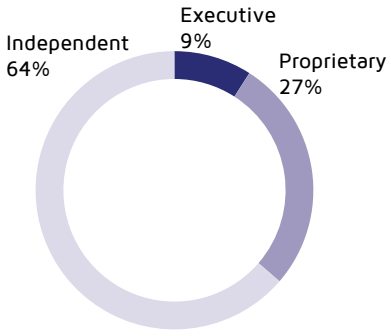
Sales in **84** countries

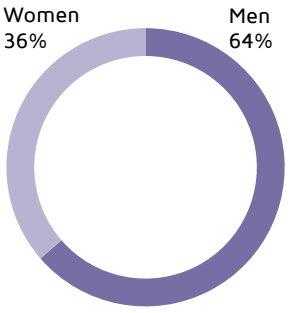
78% local suppliers

We promote the development of local communities in which the Group operates.

13,781 customers

Board of Directors





64% Independent directors

30 Board committee meetings

12 meetings held by the Board of Directors

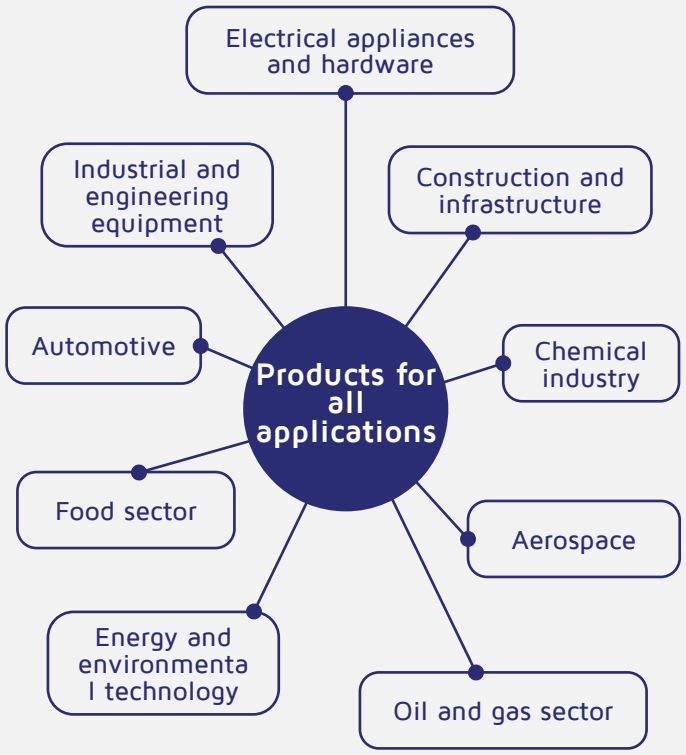
Production volume

1,674,491
Metric tons of stainless steel

78,258
Metric tons of high-performance alloys

R&D&i

€18
million
Investment in Research, Development and innovation



Our shares

249,335,371
shares

€155
million
Dividend

€2,356
million
Market capitalization

€9.45 /share
Share price at year end

€62,333,843
Share capital

Economic performance

€5,413
million
Revenue

€225
million
Net income

€500
million
EBITDA

€294
million
Operating cash flow

Milestones of the year

Acquisition of
Haynes International

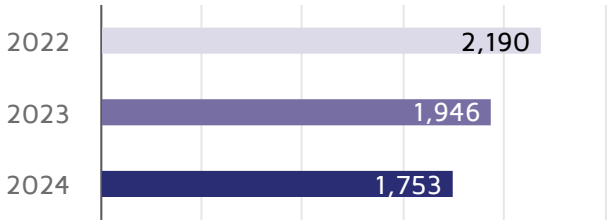
New organizational model at
Acerinox Europa

Discontinuance of activities at
Bahru Stainless

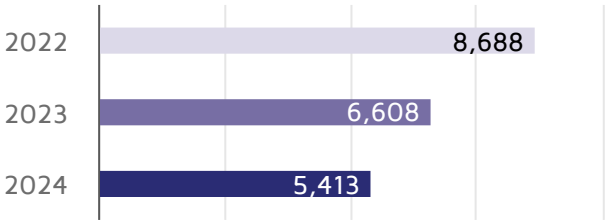
Key indicators

Performance in figures

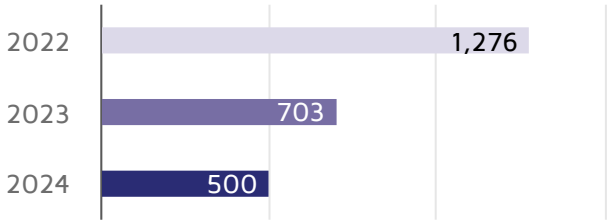
Melting shop production (thousands of metric tons)



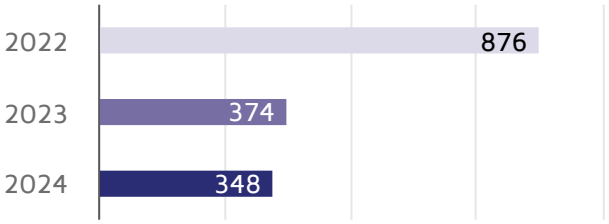
Revenue (EUR million)



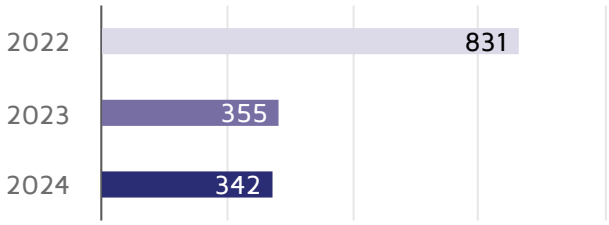
Gross operating income EBITDA (EUR million)



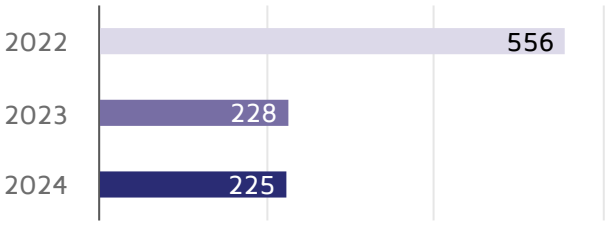
Net operating income EBIT (EUR million)



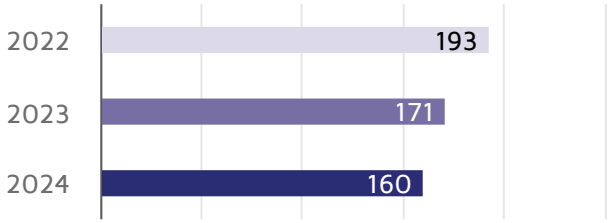
Pre-tax income (EUR million)



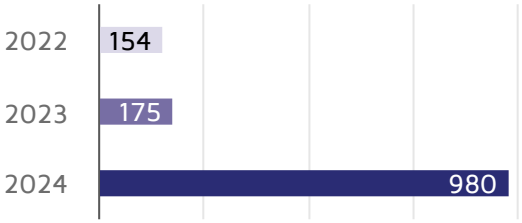
Profit after tax and non-controlling interests (EUR million)



Depreciation and amortization (EUR million)

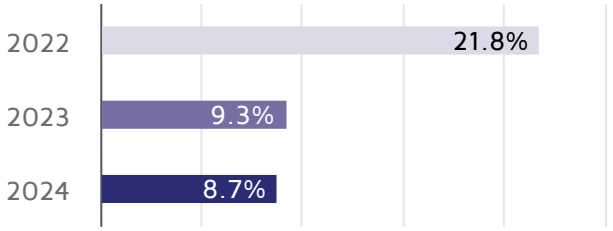


Investments (EUR million)

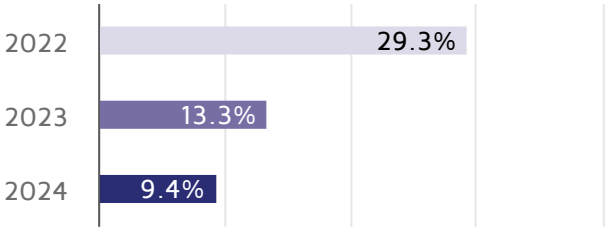


2024. Includes EUR 769 million for the acquisition of Haynes International.

ROE (%)

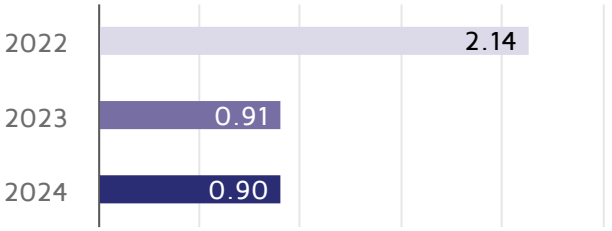


ROCE (%)



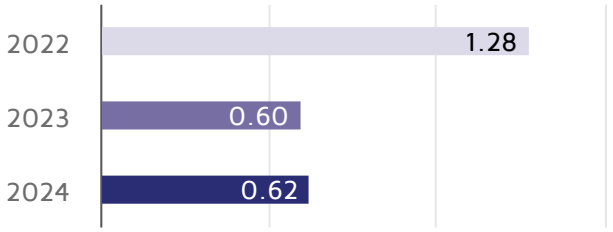
Share book value (EUR)

Earnings per share* (EUR)



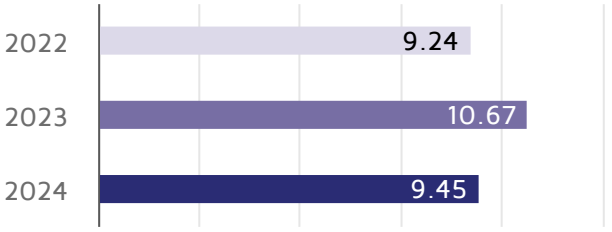
*Calculated based on the number of outstanding shares at year-end

Shareholder remuneration per share (EUR)

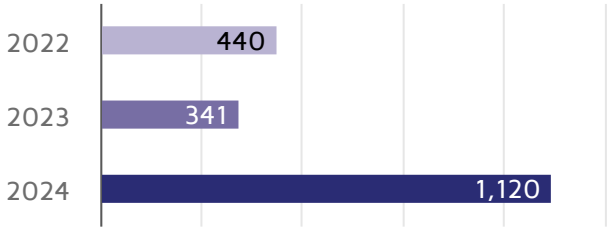


2022: Includes the ordinary dividend of EUR 0.50/share and the indirect remuneration derived from the share buyback program

Share price at year-end (EUR)



Net financial debt (EUR million)



2024. Without the acquisition of Haynes International and the debt payment of Bahru Stainless for its sale, the net financial debt would have been EUR 219 million.

Net debt / EBITDA (number of times)

2

About the Group

Who we are

Acerinox is an international manufacturer and distributor of stainless steel and high-performance alloys; present on all five continents, the Group is a market leader in the US and Africa, as well as one of the industry's best-positioned companies in Europe.

It currently has an international sales network made up of 28 service centers, 27 warehouses 60 sales agents. Thanks to this collection of assets, Acerinox operates in 52 countries.

The Group's stainless steel factories are located in Spain (Campo de Gibraltar, Ponferrada and Igualada), the US (Ghent, Kentucky), and South Africa (Middelburg, Mpumalanga).

Acerinox offers the widest range of solutions in the stainless steel and high-performance alloys market, for both flat and long products

Five of the high-performance alloy factories are located in Germany (Unna, Duisburg, Siegen, Werdohl and Altena) and five in the US (New Jersey, Nevada, Indiana, North Carolina and Louisiana).

Acerinox's mission, vision and values guide the entire Group towards one purpose: creating the most efficient materials for the future, maximizing societal benefit and creating value for its stakeholders. Among its wide range of solutions, Acerinox includes a large number of references used in various sectors, such as transportation, construction, aerospace, chemical industry, energy and environmental technology, and the food industry, among others.

Thanks to its corrosion and high-temperature resistance, durability, versatility, mechanical properties, aesthetic appeal and low maintenance needs, our products are ideal for a plethora of uses and sectors.

The majority shareholder of Acerinox is Corporación Financiera Alba (19%)

Parent company: Acerinox S.A.

Acerinox S.A. is the holding company that 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, as well as the approval of strategies for both organic and inorganic growth and CAPEX.

The head office, with 121 employees, is located in Madrid, and is where the main decision-making and management bodies convene.

Acerinox's shares are admitted to trading on the Madrid Stock Exchange and the company is part of the selective Spanish IBEX 35. Approximately 47,500 shareholders, including individuals and legal entities, own stock in the company.

At December 31, 2024, Acerinox's share capital consisted of 249,335,371 ordinary shares with a par value of EUR 0.25 each.

Divisions

Acerinox, initially focused on stainless steel production and sale, began diversifying its business in 2020 with the acquisition of VDM Metals, a leading company in the production of high-performance alloys. This year, it has been strengthened by the acquisition of Haynes International. Since then, the Group has had two product divisions:

Stainless Steel Division: includes flat and long stainless-steel products. It is made up of the following factories: Acerinox Europa, North American Stainless (NAS), Columbus Stainless, Roldán, and Inoxfil.

High-Performance Alloys Division: includes flat and long high-performance alloy products. It is made up of the VDM Metals and Haynes International factories.

Both divisions are complemented by an extensive sales network that allows them to distribute in all countries.

Group companies

5	Factories	10
17	Service centers	11
26	Warehouses	1
34	Sales offices	26

Stainless steel division

High-Performance Alloys Division

Production companies

Stainless steel

Roldán S.A

Ponferrada (Spain).

350 employees.

42,227 metric tons of hot-rolled products.

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

More information at: https://www.acerinox.com/es/grupo-acerinox/fabricas/roldan/inicio-roldan/

1957

Inoxfil S.A.

Igualada (Spain)

100 employees.

5,857 metric tons produced.

Manufactures stainless steel wire.

More information at: https://www.acerinox.com/es/grupo-acerinox/fabricas/inoxfil/inicio-inoxfil/index.html

1989

1970

Acerinox Europa

Campo de Gibraltar (Spain)

1,947 employees.

Fully integrated flat product factory. Its melting shop production totaled **294,002** metric tons.

More information at: https://www.acerinox.com/en/acerinox/fabricas/acerinox-europa/index.html

1990

North American Stainless

Kentucky (US)

1,688 employees.

Fully integrated flat- and long-product factory. Its melting shop production totaled **905,747** metric tons.

More information at: https://www.northamericanstainless.com/

Columbus Stainless

Middelburg (South Africa)

1,319 employees.

Fully integrated flat product factory.

Its melting shop production totaled **474,742** metric tons.

More information at: https://www.columbus.co.za/

Eco-efficient products

Our products contribute to:

- Circular economy.
- Offering durable materials.
- Offering 100% recyclable alternatives.
- Reducing the carbon footprint of products from different sectors.
- Improving quality of life with a lower environmental impact.

2002 **2020** **2024**

High-performance alloys

VDM Metals

Unna, Duisburg, Siegen, Altena & Werdohl (Germany).

New Jersey & Nevada (US).

2,074 employees.

77,345 metric tons of melting shop production

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

More information on VDM Metals at: https://www.vdm-metals.com/

Haynes International

Kokomo (Indiana), Arcadia (Louisiana), and Hendersonville (North Carolina, USA).

1,276 employees.

913 metric tons of melting shop production

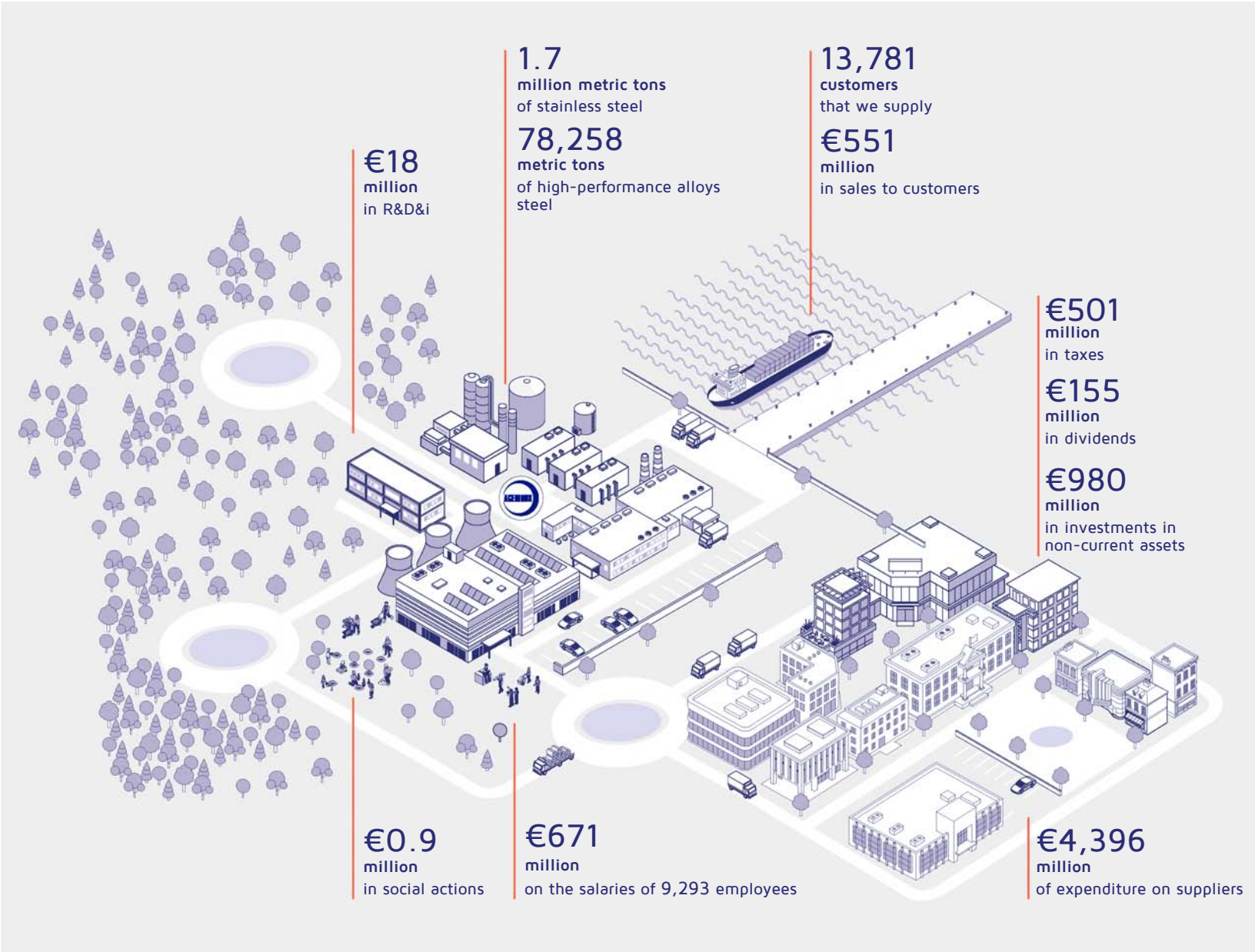
Haynes International is one of the world's largest developers, manufacturers, and distributors of high-performance alloys.

More information about Haynes International is available at https://haynesintl.com/en/.

Creating value

Acerinox contributes to society in the communities where it operates, providing benefits as it carries out its operations in a responsible manner. The Group's activity generates local employment; as a result, it boosts the regional economy and strengthens the social fabric. It also contributes to the development and well-being of communities through its products and services, from parts for small household appliances to the construction of large public works, like bridges and stadiums.

The taxes levied on Acerinox also provide revenues for local governments to pay for essential services and meet the needs of all the places where it operates, both locally and globally. The Group is currently in the midst of a process to diversify its product portfolio, offering solutions with greater added value. This has two main objectives: to continue to drive Acerinox's growth and maximize its positive impact on people and the environment.

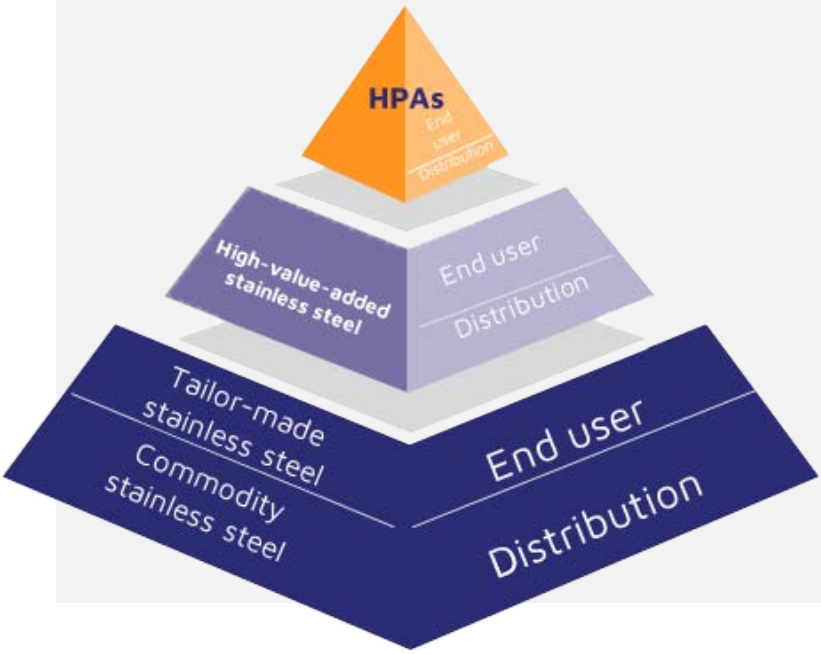


3

2024: a transformational year

3.1 Strategy

We changed our sales mix to include more **high-performance alloys (HPA)** and **higher value-added products**.



Strategic plan

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

Its deployment is based on Acerinox's vision to become a leading supplier that responds to present and future needs by offering the widest selection of materials and solutions. As a leader and driver in circular economy, the Group 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 Plan 2021-2025
Based on 4 key pillars

Excellence

LEADER

Engine to boost the Group's competitiveness

Added value

PREMIUM

Shift in sales mix towards high value-added stainless steels and high-performance alloys

Sustainability

KEY

Business model center and value-added driver

Financial Strength

EFFICIENT

Responsible and transparent capital allocation throughout the cycle

Value creation throughout the entire cycle

3.2 Relevant events

Acerinox's purpose is to be a global leader in the manufacture of stainless steel and high-performance alloys, creating the most efficient materials for the future, maximizing societal benefit, and creating value for its stakeholders.

2024 has been a key year with transformational changes. For one, we completed the acquisition of Haynes International, an American high-performance alloys company with extensive exposure to the aerospace sector. Our Malaysian factory, Bahru Stainless, an asset that was no longer strategic, has been sold, and a new collective bargaining agreement was signed at Acerinox Europa that will facilitate the implementation of the new strategy, based on the production of high value-added materials and greater access to the end customer. All of this was done without forgetting the Group's firm commitment to sustainability, which has led to the launch of our EcoACX® product and a new decarbonization plan.

A. Haynes acquisition: triple A investment (Americas Alloys Aerospace).

Acerinox keeps its firm strategy focused on the development and expansion of higher-value-added solutions. In 2024, the Group acquired Haynes International, a leading company in the high-performance alloys sector in the US with more than 100 years of history.

Haynes International provides access to new markets and industrial sectors such as aerospace and contributes its strength in the research and development of new alloys. The integration of Haynes will generate synergies for the Group in terms of expenses, sales, efficiency and process optimization. The American company was acquired by the Group's US subsidiary, NAS. It will become part of the High-Performance Alloys Division (HPA), created in 2020 with the acquisition of VDM Metals.

Acerinox will invest around USD 200 million over the next four years in the new platform in the US to increase capacity and develop synergies.

The transaction was finalized nine months after its announcement via a cash payment of USD 799 million, after receiving the green light from all regulatory authorities.

The main benefits for the Group are as follows:

- Reinforcement of Acerinox's leading global position in the high-performance alloys segment.
- Expanding our presence in the US.
- Increased significant opportunities in the aerospace sector.
- Initial estimated synergies of USD 71 million.
- Creation of added value through the combination of complementary businesses, the growth of operational capabilities in the US, and a local sales and distribution network with new international locations.
- A solid platform to accelerate the growth of the high-performance alloy and specialty stainless steels business in North America.
- Reinforcement of research and development capabilities and incorporation of a significant patent and approval portfolio.
- Expectations of generating significant growth, as well as margin improvements, supported by Haynes International's track record.
- Haynes International's high-quality service lets us get close to customers, increasing loyalty.
- Expansion of our team of people, bringing highly talented and experienced people on board.

B. New organizational model at Acerinox Europa.

In light of the market conditions and financial results of recent years, the Group decided to implement a new organizational and production model at the Acerinox Europa factory, located in Campo de Gibraltar (Cadiz, Spain).

After almost five months of strike action, Acerinox Europa and the Works Council signed the IV Collective Bargaining Agreement for the plant. This agreement, valid until December 31, 2027, seeks to strengthen the relationship between the company and its employees, promoting flexibility and a positive and collaborative work environment. All of this was necessary to implement the Group's strategy of creating high value-added products and increasing its presence for the end customer.

Among other measures, the following stand out:

a) Voluntary paid polyvalence with workforce training.

b) Voluntary paid availability of employees.

c) New production bonus aligned with the Group's strategy that rewards quality, the broadening of the range of products and the production of high-performance alloys.

d) Factory closed for 2 weeks in August, a period of the year when there is less activity. This time will be taken as an opportunity for maintenance shutdowns.

e) Wage increase of approximately 12% over 4 years.

Additionally, said agreement established, among other conditions, the commitment to sign a social pact agreement for job creation. On December 20 of this fiscal year, the memorandum of agreement was signed, in conjunction with the main trade unions, which included, together with other aspects, a labor rejuvenation program based upon the voluntary adhesion of people who meet the requirements specifically established therein. On that same date, the conditions of the rejuvenation plan applicable for the year 2025 were also agreed. This agreement will allow the workers that adhere to said plan to opt for early retirement subject to the conditions established in the Plan, once they reach a certain age.

C. Closure of Bahru Stainless in Malaysia

Bahru Stainless, the Group's factory located in Johor (Malaysia), announced to its customers in May 2024 that it would cease operations. Strong Asian competition, some of it unfair, and market shifts hindered the development and profitability of this asset, which ceased to be strategic for the Group.

Bahru Stainless was incorporated in 2008, aimed at supplying the Asian market, in addition to adding to the Group's global production through the purchase of semi-finished products from other factories.

On October 10, a contract was signed with Worldwide Stainless Sdn. Bhd, a Malaysian company, to sell Bahru Stainless for USD 95 million. The transaction closed on December 3.

This was an important strategic decision for Acerinox and presented the best possible formula for the various stakeholders.

D. EcoACX®: sustainable innovation

In 2024, Acerinox reached a significant milestone in response to its commitment to sustainability with the launch of the sustainable product EcoACX®. This innovative product represents a quantum leap in the stainless steel industry, guaranteeing a more than 50% reduction in CO_2 emissions versus standard material, using 100% renewable energy and more than 90% recycled material. With EcoACX®, we not only exceed industry standards, but set a new benchmark in sustainability, endorsed by an independent third-party company.

EcoACX® is therefore more than a product: it is a symbol of our commitment to a sustainable future. By choosing it, our customers join us on this journey, also becoming part of the solution.

EcoACX®: **sustainable commitment** to our customers

E. Expansion projects

NAS expansion project

In January 2023, the Group announced an investment of USD 244 million in NAS to increase production capacity by 20%. The new equipment will be aimed at increasing the volume of flat products, with a special focus on increasing those with higher added value.

The NAS expansion project is in its second year of implementation on time and budget.

- The melting shop expansion phase includes an extension of the building structure; this has already been delivered, pending installation.
- The components needed to modernize the annealing and pickling line have also been received.

- Regarding the new rolling and Skin-Pass mills, foundation and installation works are currently in progress.

VDM Metals expansion plan

In January 2024, the Group announced investments in VDM Metals valued at EUR 67 million with the goal of increasing sales by 15%. These include an sprayer to produce stainless steel and high-performance alloy powders for additive manufacturing.

The project is in its first year of development and is progressing on schedule. Purchases of materials and equipment have almost been completed, and construction work has begun at the melting shop located in Unna (Germany). In the fourth quarter, welding wire production also started at the Werdohl (Germany) factory following the increase in line capacity.

The new powder sprayer, however, is experiencing delays due to longer-than-expected administrative processes.

F. Beyond Excellence:

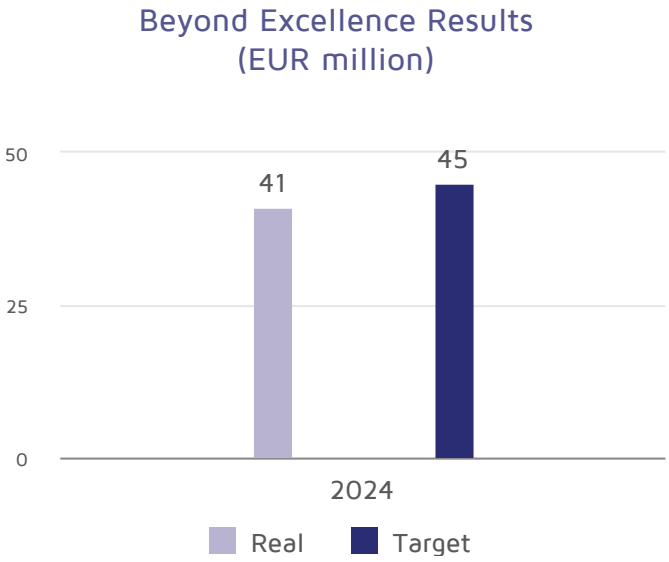
The Group is continuing its drive for operational excellence by launching the Beyond Excellence program, from 2024 to 2026. Its purpose is to increase competitiveness through new continuous improvement projects. Digital transformation, commitment to innovation, and cross-functional collaboration are key elements in its development.

This new plan aims to raise EBITDA by EUR 100 million over the period 2024-2026, with a target of EUR 45 million in 2024.

The savings achieved in this first year totaled EUR 41 million, representing 91% achievement over the 2024 target. It should be noted that Acerinox Europa's projects were delayed for several months due to the strike that took place between February and June. The impact of this occurrence is estimated at EUR -7 million.

The breakdown of the saved EUR 41 million by the Plan's 6 strategic pillars is as follows:

- Productivity (EUR 6 million): improvement and increase of Overall Equipment Efficiency (OEE) in the various workshops involved in the production process by applying SMED (Single-Minute Exchange of Die) and TPM (Total Productive Maintenance) methodologies.
- Efficiency (EUR 19 million): improved yields at the cold rolling mill, improvements in the useful life of refractories and better and greater segregation of internal scrap from our processes for subsequent reuse. Optimization of the raw material mix in the load basket.
- Supply chain (EUR 4 million): optimization of energy costs.
- Customer at the center (EUR 6 million): increased customer satisfaction. Predictive quality improvements through data analytics.
- Value-added products and R&D&i (EUR 4 million): development and sale of new types of steel, in line with the Group's strategy.
- Decarbonization (EUR 2 million): optimizing energy consumption of pumps, compressors, etc., consequently reducing CO_2 emissions.



G. Decarbonization plan

In 2020, Acerinox committed to the decarbonization of its business by deploying its sustainability commitment. One of the five pillars that structure the plan is eco-efficiency and climate change mitigation. The target of a 20% reduction in GHG emissions intensity (Scope 1 and 2) by 2030 is set, using 2015 as the base year.

In 2024, we took a further step in this commitment with the development of the Decarbonization Plan with a 2030 horizon and more ambitious carbon emissions reduction targets, approved in early 2025 by the Board of Directors.

The Plan includes the main initiatives related to the improvement of energy efficiency, heat recovery systems, system electrification, and the use of electricity and renewable fuels. It is aligned with the Beyond Excellence 2024-2026 plan.

The new reduction targets, in addition to being more challenging, aim to be compatible with the global warming limit of 1.5°C and are based on science (SBTi); they include reducing Scope 1 and 2 emissions by 45.3% by 2030 compared to 2021. Moreover, a 15% reduction target for Scope 3 emissions has been set for the same year.

H. Investment in R&D&i

For investment and R&D&i expenditures, in 2024 Acerinox earmarked EUR 18 million in various projects.

Among them, it should be noted that the first cycle of the "Materials for the day after tomorrow" project was successfully completed under the motto "Energy of the future." Groups of experts met at Acerinox Europa to develop the ideas generated in the cycle. The teams organized workshops focused on hydrogen storage, combustion, fuel cells, and electrolysis, aiming to incorporate these into the Group's development processes.

The projects underway allow the Group's common portfolio to be expanded, deepening synergies and taking advantage of complementary facilities.

Another key synergy consists of the opportunity to have the high-performance alloys and stainless steel R&D teams both simultaneously involved in new funded projects with a high potential impact for Acerinox.

The addition of Haynes International made it possible to start a new line of R&D work, collaborating with VDM Metals to further strengthen innovation capacity. With it, key synergies are expected in the exchange of knowledge and mutual use of patents on high-performance alloys, cooperation on significant R&D projects to drive innovation, integration of process modeling expertise, and mutual use of Group-wide research facilities, including also the Stainless Steel Division.

In 2024, Acerinox invested EUR 18 million in R&D&i.

3.3 Awards and prizes

The external awards and prizes obtained by Acerinox in 2024 speak to the Group's firm commitment to solid, ethical, and responsible growth. The Company directs all its efforts to include ESG matters in its corporate strategy, consolidating a management model that generates positive impacts on society and the planet. This purposeful vision has been given the thumbs-up by various leading organizations, reaffirming Acerinox's commitment to sustainability matters.

Stainless Steel Industry Awards

WorldStainless highlighted the work being done at various Group companies; Columbus Stainless won a Silver Award in the Safety Category for its Grinding Wheel Tilting Solution, while Roldán won a Bronze Award for its color and sign signaling to improve the identification of overhead crane movements.

Acerinox Europa, for its part, was given a Silver Award in the Sustainability Category for its plan to reduce environmental pollution in the external areas of the factory. Bahru Stainless was granted the Bronze Award in the same category for its sustainable packing material for continual re-use.

In the Market Development category, NAS won the Silver Award for its louvered pipe for groundwater applications.

Ecovadis GOLD

EcoVadis, a provider of business sustainability ratings, recognized Acerinox with its GOLD status, which places the Group among the top 5% of companies rated for their sustainability performance. In its analysis, the ratings provider considered the Group's good practices in the areas of environment, ethics, human rights, and sustainable procurement. The Algeciras strike had a significant impact on the company not obtaining a platinum rating. As soon as possible, we will work to regain this rating, which VDM Metals obtained in 2024.

ISS ESG Prime

Acerinox also obtained a Prime rating from ISS ESG Corporate Ratings for its sustainability performance. This distinction is awarded to companies that stand out for their superior and outstanding commitment (compared to the sector average) to environmental, social and governance issues.

T-Seal for fiscal transparency

Acerinox received the highest-ranked 'T for Transparency' seal, three stars, from the Fundación Haz. This distinction, which certifies the Group's compliance with over 90% of the indicators, reflects the Company's firm commitment to tax transparency, as shown in public information.

Company that boosts sustainable suppliers

Acerinox was recognized as a "driving company" in the second edition of the Training Program: Sustainable Suppliers of the UN Global Compact, ICEX and Fundación ICO in order to promote more sustainable value chains.

4

Economic performance

4.1 Global context

The year 2024 was again marked by uncertainties arising from geopolitical tensions, such as the continued conflict between Ukraine and Russia and the conflict in Gaza. It also saw elections in many countries, with regime change in the US and the European Commission. The panorama was one of increasing regionalization, shifting towards policies of strategic autonomy and local industry protectionism.

The stainless steel sector

The stainless steel market once again had a year of low activity. The main cause was the prolongation of the inventory adjustment period that began in the second half of 2022, which led to record lows in both the US and Europe.

As a result, stainless steel production remained low, with moderate growth compared to 2023, but without bouncing back to the level seen in previous years. The exception was Chinese producers, both in China and Indonesia, which continued to generate surpluses with a very negative impact on markets.

Europe

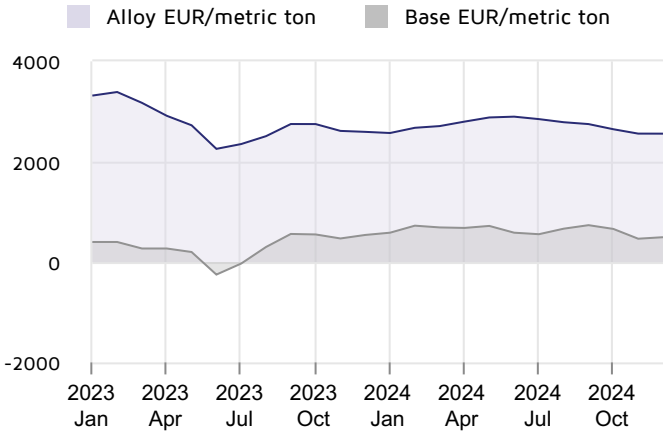
Apparent consumption in Europe rose slightly in 2024 compared to 2023, growing 3% in contrast to the 21% decline seen in the previous year.

Imports once again increased their market share relative to European producers, largely due to the drop in activity at Acerinox Europa due to the strike at the Campo de Gibraltar factory.

Even so, the share of imports remained below 20%, due to low prices and the trade protection measures in place for most Asian materials.

Changes to base price + extra in Europe

Benchmark 304 CR 2B 2mm (EUR/metric ton) Source: CRU



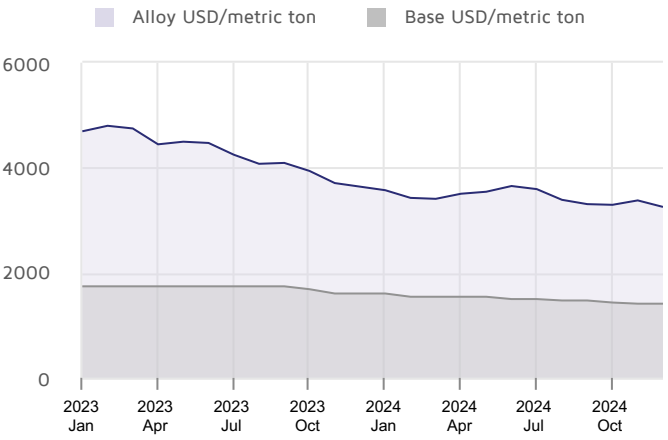
United States

With dynamics quite similar to those in Europe due to the extension of the inventory adjustment period, apparent consumption in the US remained flat in 2024, compared to a 20% drop in the previous year.

In the US, imports increased significantly compared to the previous year (21%) and represent 28% of the total market.

Changes to base price + extra in the United States

Benchmark 304 CR 2B 2mm (USD/metric ton) Source: CRU



South Africa

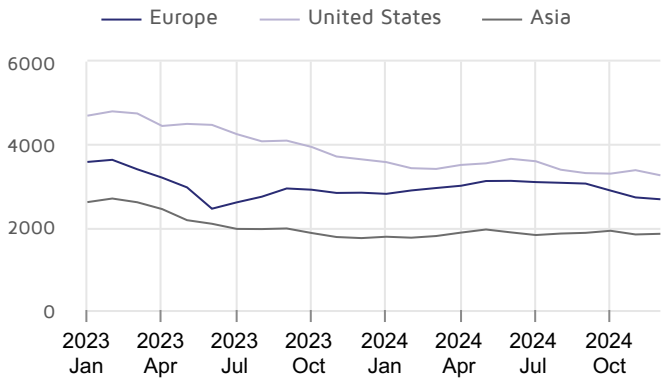
The South African stainless steel market showed a positive performance over the course of 2024, with a 5% increase in apparent consumption.

The main consumption sectors remained at levels equal to or higher than those of the previous year. The pipe sector saw particularly satisfactory performance.

The development of new applications at Columbus Stainless resulted in a substantial improvement in sales.

Price changes by region

(USD/metric ton)



The high-performance-alloys (HPA) sector

The high-performance alloys market maintained a strong position in 2024, although its performance was weaker than in 2023.

The oil and gas sector continued to enjoy high demand while the chemical processing market showed signs of weakness.

The automotive sector showed stronger performance than in 2023, as did the electronics market, which exceeded expectations thanks to demand for OLEDs and renewable energy applications.

The aerospace industry, in which Haynes International has a large presence, performed below expectations due to various disruptions affecting the supply chain.

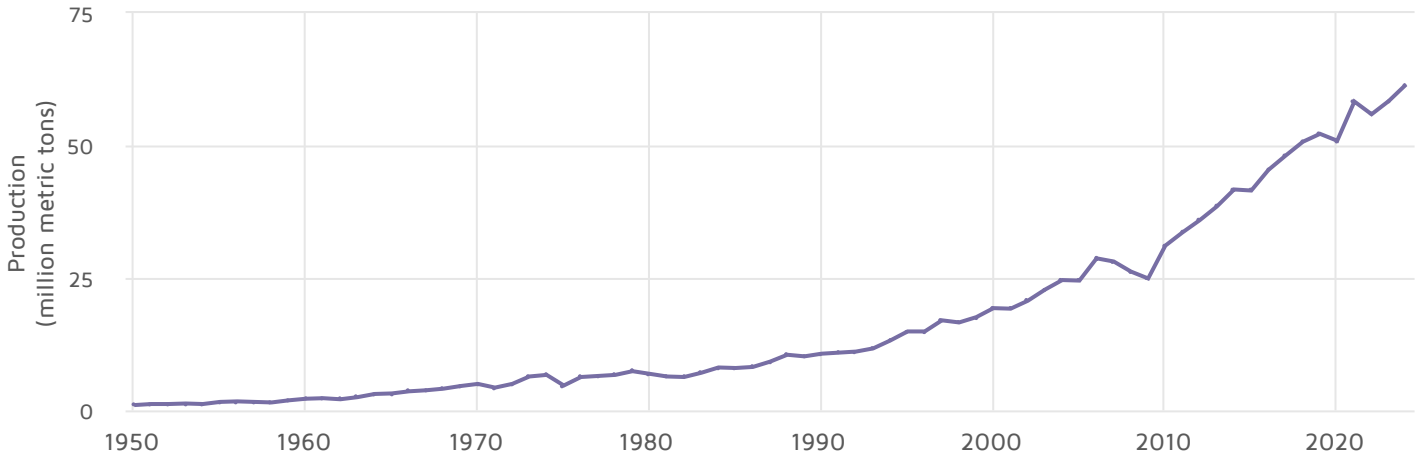
GDP growth (IMF - World Economic Outlook)

	2023	2024	2025
China	5.2	4.8	4.5
Germany	-0.3	0.0	0.8
India	8.2	7.0	6.5
South Africa	0.7	1.1	1.5
Spain	2.7	2.9	2.1
USA	2.9	2.8	2.2
ASEAN-5	4.0	4.5	4.5
Eurozone	0.4	0.8	1.2
World	3.3	3.2	3.2

4.1.1 Global production

Source: World Stainless and Acerinox

Global stainless steel production (millions of metric tons) 1950 – 2024



Global melting shop production (thousands of metric tons)

	Q1	Q2	Q3	Q4	Total
2023	13,828	14,745	15,099	14,773	58,445
2024	14,609	15,762	15,654	17,111	63,136

Global melting shop production by region / country (thousands of metric tons)

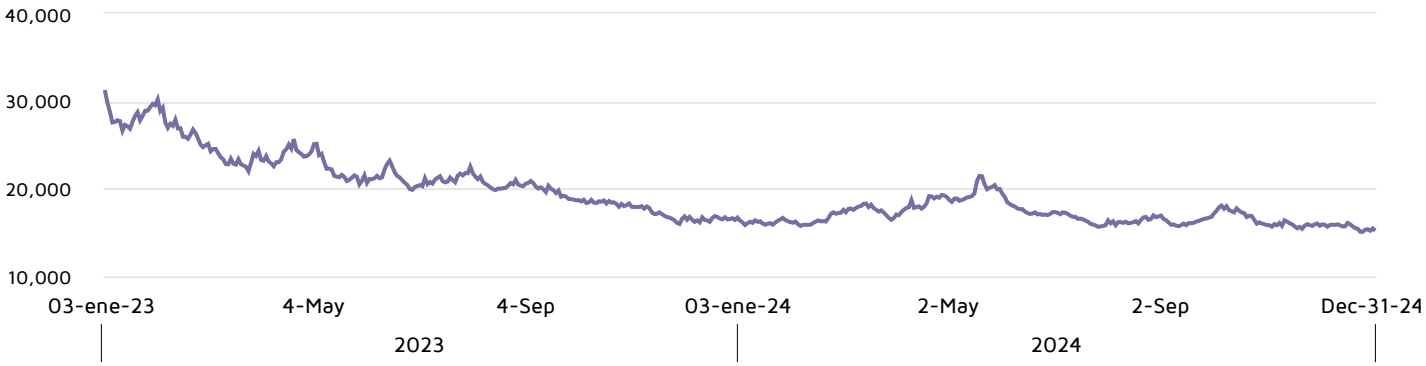
	2023	2024	Variation
Europe	5,902	6,250	6%
USA	1,824	1,950	7%
China	36,676	39,442	8%
India	4,056	4,561	12%
Japan	2,166	2,257	4%
Other	7,820	8,675	11%
Total	**58,444**	**63,135**	**8%**

4.1.2 Raw materials

Nickel

Official price on the LME. 2023– 2024

Average spot price / three months in USD/metric ton



Nickel prices were stable in early 2024, although they increased towards the end of the first quarter. The main reasons for this increase were better consumption prospects in China and lower availability of the mineral in Indonesia due to delays in the granting of mining quotas.

In May 2024, nickel reached its annual high, surpassing USD 21,000 due to the unrest in New Caledonia and the impact of China's economic recovery measures.

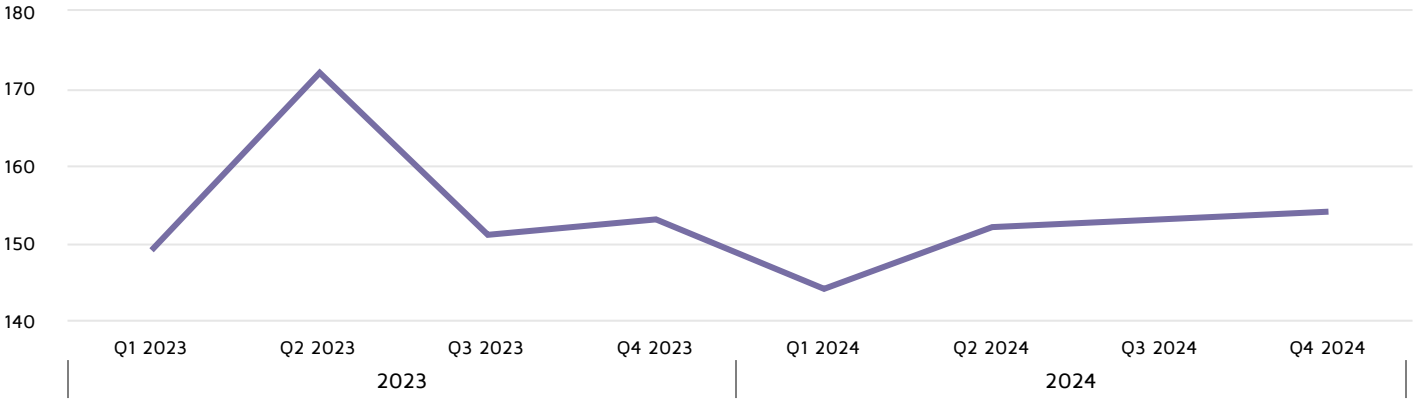
The global economic situation, fears of a possible recession and a surplus of pure nickel subsequently led to a downward price correction. This downward trend was altered only by the announcement of new economic stimulus by the Chinese government at the end of the third quarter.

A notable increase in stocks on the metal exchanges also affected changes in nickel prices in the second half of the year, especially due to the entry of nickel from new production in China and Indonesia.

Ferrochrome

Average quarterly ferrochrome price. 2023-2024

US cent (USc) / pound chrome (lb Cr)

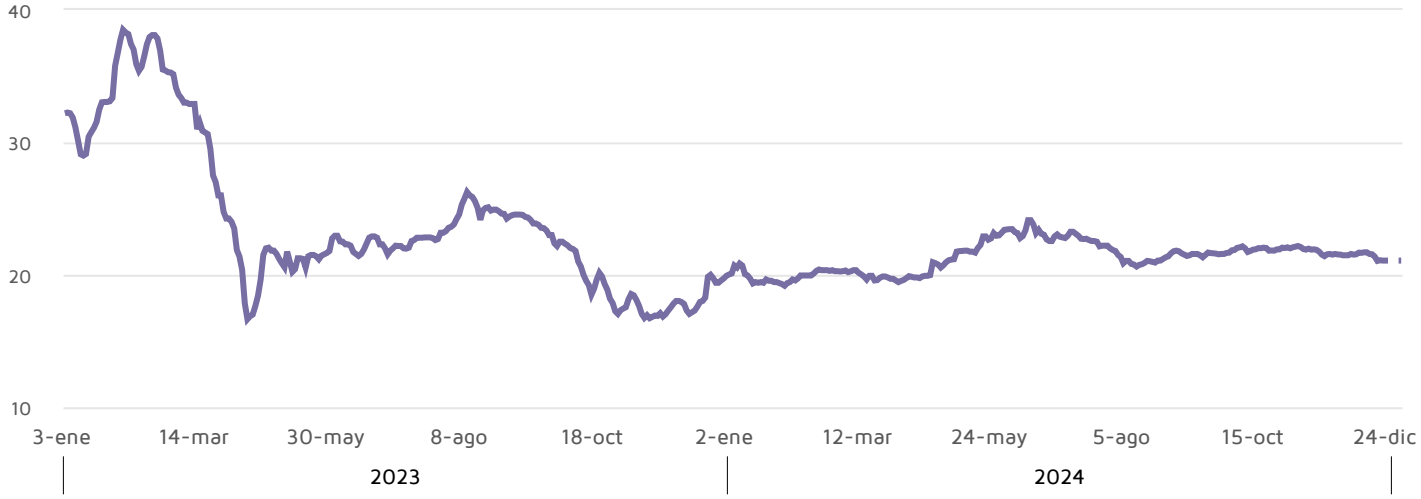


The price of ferrochrome remained relatively stable. Price increases in China and recovering demand, together with a chrome ore price above USD 300/metric ton, caused ferrochrome values to surpass 150 USc/lb Cr from the second quarter onwards.

Molybdenum

2023 – 2024

USD/pound molybdenum (lb Mo)



The existing balance between molybdenum production and demand, mainly for special steels, kept the price at relatively stable levels during practically the whole year.

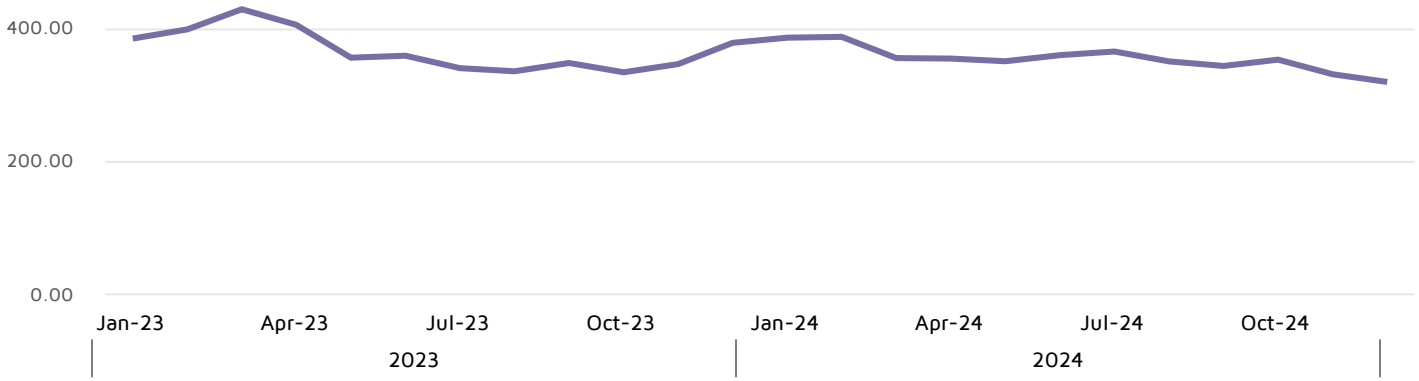
Only in the second quarter did prices increase to USD 24/lb Mo, mainly due to movements in the Asian market. There was subsequently a price reduction, and the year closed at USD 21/lb Mo.

Ferrous scrap

Price of ferrous scrap HMS 1&2 FOB Rotterdam (monthly averages). Years 2023-2024

At the end of the first quarter, there was a drop in prices linked to lower overall demand in the steel industry. This trend continued practically throughout the year.

USD/metric ton



HMS: Heavy melting steel

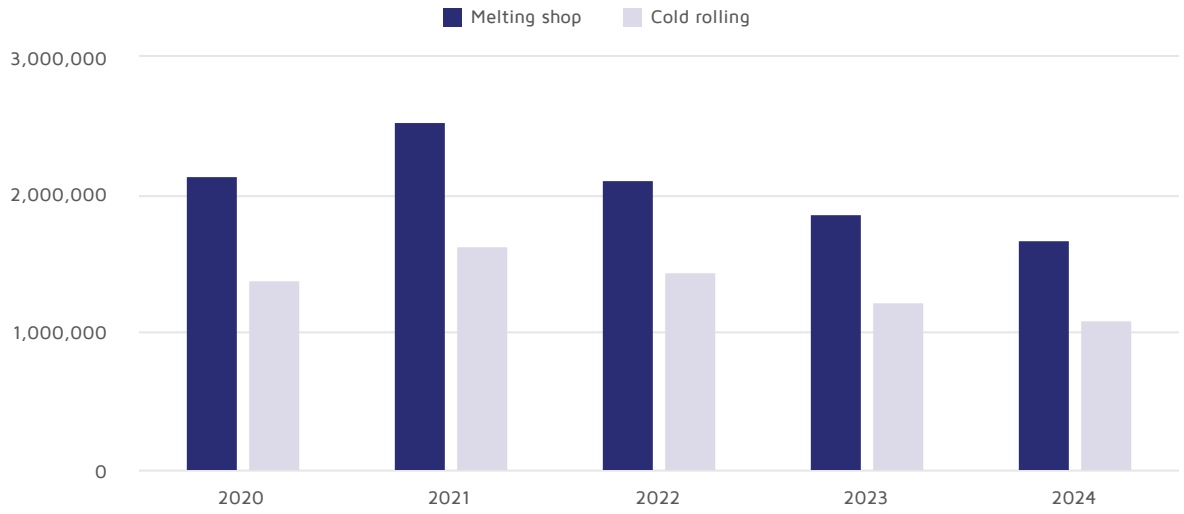
FOB: Free on Board

4.2 Production

Acerinox produced 1.8 million metric tons in 2024. Of these, 96% were produced by the Stainless Steel Division and 4% by the High-Performance Alloys Division.

The total production figure was -10.4% lower than that of financial year 2023, a decrease that is largely explained by the strike at Acerinox Europa, which lasted from February to June 2024.

Changes in total production of Stainless Steel Division factories (metric tons)



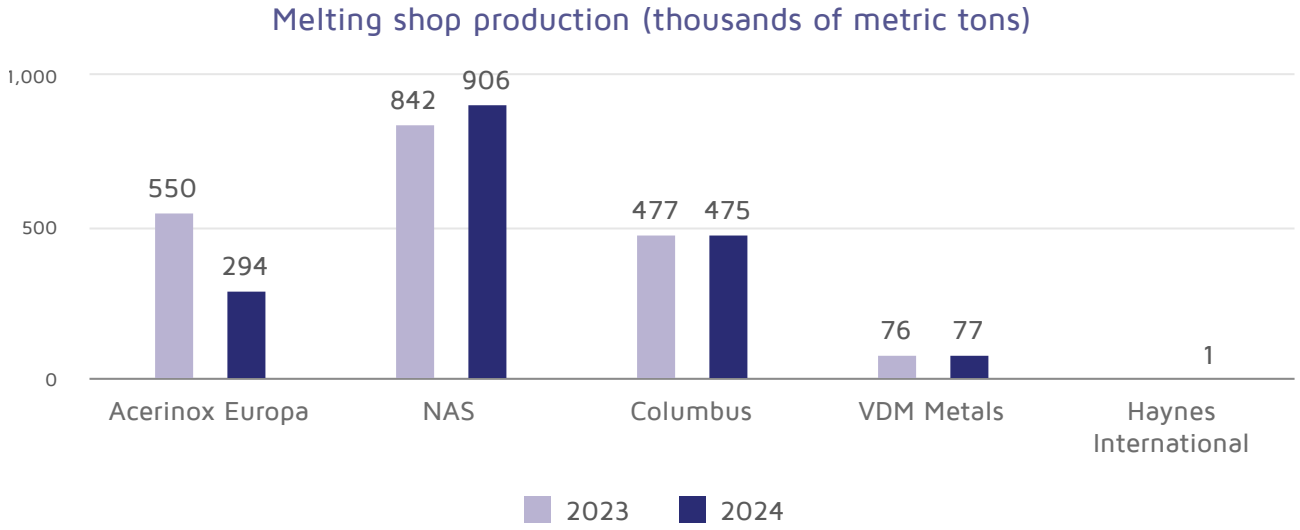
Quarterly performance of Stainless Steel Division production (thousands of metric tons)

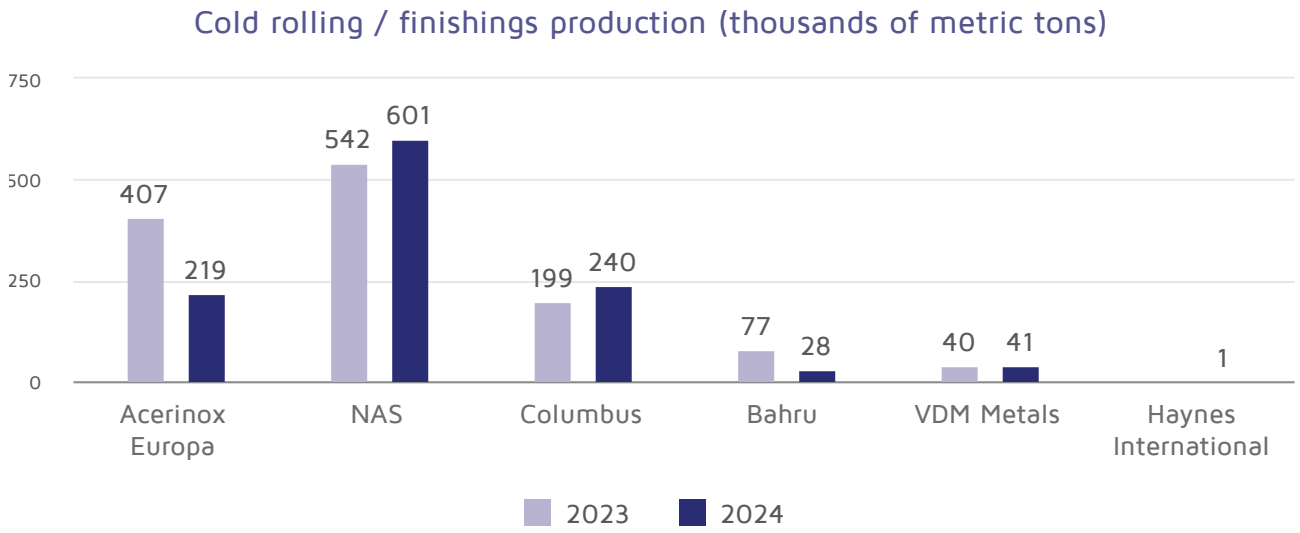
	2024					2023	Variation 2024 - 2023
	Q1	Q2	Q3	Q4	Accumulated	Jan-Dec	
Melting shop	440	384	473	378	1,674	1,869	-10.4%
Cold rolling	282	247	303	256	1,088	1,225	-11.2%
Long products (hot rolling)	32	37	41	29	140	139	0.8%

Quarterly performance of High-Performance Alloys Division production (thousands of metric tons)

	2024					2023	Variation 2024 - 2023
	Q1	Q2	Q3	Q4	Accumulated	Jan-Dec	
Melting shop	21	20	18	18	78	76	2.6%
Finishing shop	11	10	11	10	42	40	4.0%

Group production





In 2024, low demand throughout the year and the adjustment of inventories meant that all 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 favorable throughout the year, while production activity was slightly higher than in 2023 (+2.6% melting shop production). Haynes has only contributed with one month of production during the fiscal year.

4.3 Financial results

Key indicators - EUR million

5,413	500	225	1,120	9.42%
REVENUE	EBITDA	NET INCOME	NET FINANCIAL DEBT	ROCE

Without acquisition of Haynes International or the debt payments for Bahru:

219

Group's consolidated results

In a complex context, Acerinox's results show the Group's resilience even at the toughest market moments. As discussed throughout this report, 2024 was marked by macroeconomic and geopolitical tensions, in addition to the ongoing supply chain challenges and low demand.

The following elements should be highlighted in the Group's results for the year:

a) The impact on Acerinox Europa's EBITDA due to the strike is estimated at EUR -84 million for the year, of which 43 million corresponds to the direct impact of the five-month stoppage in the first half of the year and the remainder to orders lost.

b) The consolidation of Haynes International in the Group's figures took place in December. As a result, the Group's debt has increased significantly, but Haynes has contributed only one month's results.

c) In December, Bahru Stainless, a non-strategic asset for the Group, was sold for USD 95 million. The impact on EBITDA was EUR 146 million, as a result of impairments made in previous years and accumulated exchange differences in equity.

The results obtained in this market environment demonstrate the effectiveness of the strategic decisions made in recent years. Acerinox is managing to mitigate the sector's volatility while making good on its proposal to offer higher value-added solutions to customers.

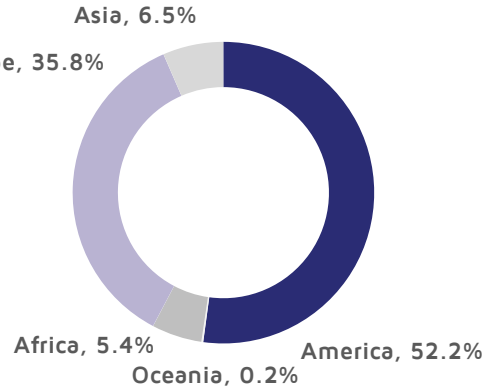
The most important figures for the year and the change with respect to the previous one are summarized in the following table:

EUR million	2024	2023	24/23
Melting shop production (thousands of metric tons)	1,753	1,946	-10%
Net sales	5,413	6,608	-18%
EBITDA	500	703	-29%
EBITDA margin	9%	11%	
Adjusted EBITDA*	445	768	-42%
Adjusted EBITDA margin	8%	12%	
EBIT	348	374	-7%
EBIT margin	6%	6%	
Pre-tax income	342	355	-4%
Profit after tax and non-controlling interests	225	228	-1%
Operating cash flow	294	481	-39%
Net financial debt	1,120	341	228%

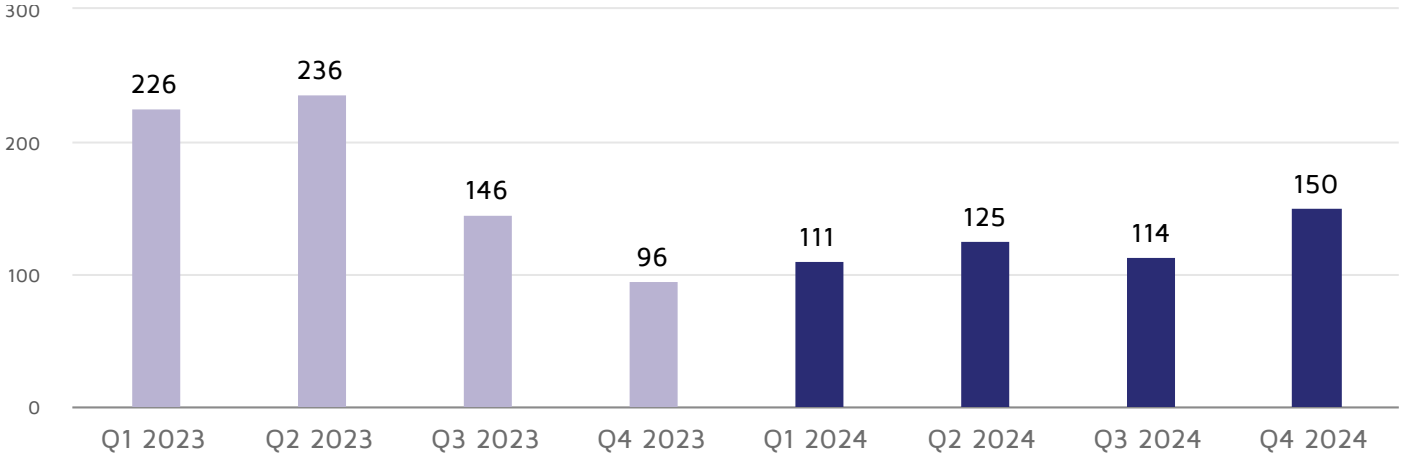
(*) In addition, if we take into account the impact of the strike at Acerinox Europa (EUR 84 million), adjusted EBITDA would have amounted to EUR 529 millions.

Revenue for the year, EUR 5,413 million, was 18% lower than the previous year, marked by the low levels of apparent demand and prices in the main markets where the Group operates, as well as by the strike lasting almost 5 months at the Acerinox Europa factory.

Geographic distribution of sales



Quarterly EBITDA performance in 2023 and 2024 - EUR million



Despite low demand, the Group managed to earn a solid EBITDA of EUR 500 million, showing its resilience in a complex market environment. This was still 29% lower than in 2023. EBITDA for the year was affected by the following extraordinary items:

- The sale of Bahru Stainless resulted in EBITDA income of EUR 146 million.
- The expenses associated with the acquisition of Haynes International amounted to EUR -21 million.
- Provision of EUR -12 million for the Rejuvenation Plan for the workforce of Acerinox Europa.
- Inventory regularization in the sum of EUR -58 million.

Adjusted EBITDA (net of the aforementioned items) would be EUR 445 million. In addition, if we include the impact that the strike at Acerinox Europa has had in the Group's results during this fiscal year, adjusted EBITDA would have been EUR 529 millions.

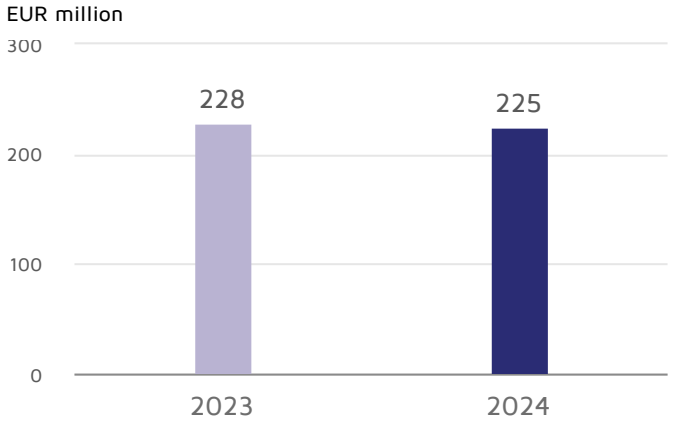
The EBITDA margin rose to 9%.

Depreciation, EUR 160 million, was 7% lower than in the previous year, mainly due to lower depreciation at Bahru Stainless, whose assets were impaired by EUR 156 million in 2023.

Operating profit (EBIT) totaled EUR 348 million, compared to EUR 374 million in 2023 (after impairment of assets at Bahru Stainless).

Profit after tax and non-controlling interests amounted to EUR 225 million, after realizing an impairment of tax credits in the amount of EUR 62 million. This result was 1% less than that of 2023.

Profit after tax and non-controlling interests



Cash generation

One of the Acerinox's strategic pillars is to maintain its financial strength, defined as sustainable cash generation over time to make efficient use of capital, enabling the Group to drive its growth and shareholder value creation strategies.

Cash generation remains one of the Group's priority targets, and it achieved an operating cash flow of EUR 294 million.

In 2024, the reduction in working capital, at EUR 71 million, was lower than expected, despite the market situation, the impact of the Acerinox Europa factory strike and the cessation of activity at Bahru Stainless.

The acquisition of Haynes International (EUR -769 million), the year's investments, mainly in North American Stainless (NAS) and VDM Metals (EUR -205 million), and 20% of the proceeds from the sale of Bahru Stainless (EUR 18 million) resulted in free cash flow of EUR -662 million.

Cash flow - EUR million

EUR million	2024	2023
EBITDA	**500**	**703**
Changes in working capital	71	79
Corporate income tax	-131	-233
Finance costs	-10	-4
Other adjustments	-136	-65
OPERATING CASH FLOW	**294**	**481**
Payment for the purchase of Haynes International	-769	
Sale of Bahru Stainless	18	
Payments due to investment	-205	-175
FREE CASH FLOW	**-662**	**307**
Dividends and treasury shares	0	-152
CASH FLOW AFTER DIVIDENDS	**-818**	**155**
Translation differences	90	-56
Haynes acquired net financial debt	-51	
Changes in net financial debt	**-779**	**99**

(*) The EUR 146 million from the sale of Bahru Stainless had an impact on EBITDA, but does not represent a cash inflow.

Shareholder remuneration amounted to EUR 155 million in ordinary dividends, as a cash payment of EUR 0.62 per share was made, representing a 69% payout.

On the other hand, exchange differences of EUR 90 million were generated, mainly due to the 6% appreciation of the dollar against the euro.

Statement of financial position and financing

The acquisition of Haynes International had a significant impact on the Group's balance sheet due to the incorporation of its assets and liabilities at fair value. Among others, the most notable items were the following:

- Non-current assets, with an increase of 36% (25% due to Haynes)
- Inventory up by 11% (19% due to Haynes)
- Cash and cash equivalents decreased by EUR 531 million (EUR 811 million as a result of the acquisition of Haynes).

ASSETS

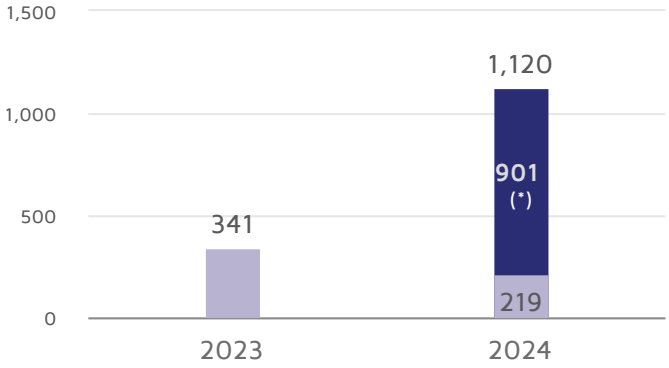
EUR million	2024	2023	Variation
Non-current assets	2,417	1,777	36%
Current assets	4,053	4,322	-6%
Inventories	2,062	1,861	11%
Receivables	606	618	-2%
Customers	551	560	-2%
Other receivables	55	58	-5%
Cash	1,263	1,794	-30%
Other current financial assets	123	50	146%
Total assets	**6,469**	**6,099**	**6%**

LIABILITIES

EUR million	2024	2023	Variation
Equity	2,575	2,463	5%
Non-current liabilities	2,017	1,733	16%
Bank borrowings	1,464	1,291	13%
Other non-current liabilities	553	442	25%
Current liabilities	1,877	1,902	-1%
Bank borrowings	919	844	9%
Trade payables	666	787	-15%
Other current liabilities	292	272	7%
Total Liabilities	**6,469**	**6,099**	**6%**

Net financial debt, at December 31, 2024, stood at EUR 1,120 million, an increase of EUR 779 million (EUR 341 million at December 31, 2023) due to the acquisition of Haynes International (acquisition: EUR 769 million, acquired debt of EUR 51 million and acquisition expenses of EUR 21 million) and the debt payment prior to the sale of Bahru Stainless (EUR 60 million). Without these transactions, net financial debt would have been EUR 219 million.

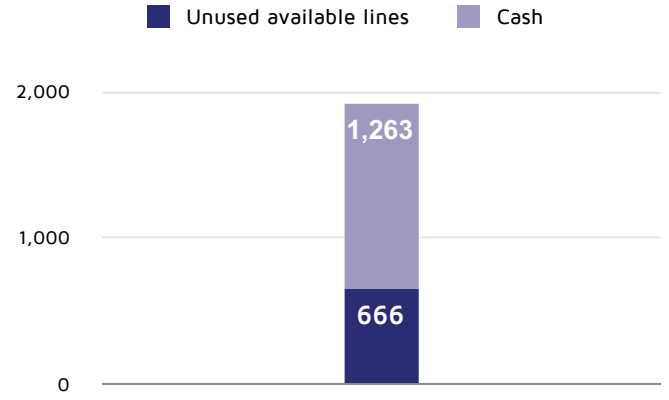
Net financial debt - EUR million



(*) Debt derived from the acquisition of Haynes International and the sale of Bahru Stainless.

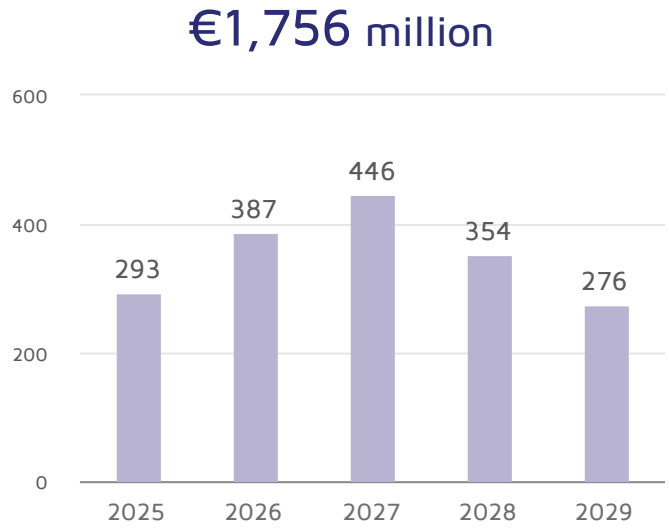
Liquidity

EUR million



Maturities of term debt

EUR million



As in 2023, during 2024, the Group continued to actively manage its long-term loans and renew its credit lines to maintain liquidity. In this regard, the most significant financial transactions were as follows:

- Signing of thirteen new long-term loans with various financial institutions for an amount of EUR 855 million.
- Renewal and extension of credit facilities up to a total amount of EUR 480 million and USD 135 million.
- Signing of a new loan by VDM Metals for EUR 40 million.
- Extension for an additional year of two bilateral financing lines signed with VDM Metals for a total amount of EUR 80 million.

During this year, good access to liquidity has been maintained through long-term loans and financing facilities in force in amounts greater than those required at any given time, and some long-term loans maturing in 2025 and 2026 have been repaid in advance.

At year-end, the Group had sustainable financing lines totaling EUR 516.6 million, linking their cost to the evolution of the indicators to be reviewed annually.

The Group's total debt as of December 31, 2024 was EUR 2.383 billion, of which 52% was fixed-rate debt and the remaining 48% was variable-rate debt. More than 60% of the Group's total gross debt has a maturity of more than one year.

As of December 31, 2024, Acerinox had liquidity amounting to EUR 1,929 million. Of this amount, EUR 1,263 million corresponded to cash and short-term deposits and EUR 666 million to available financing lines at various Group subsidiaries.

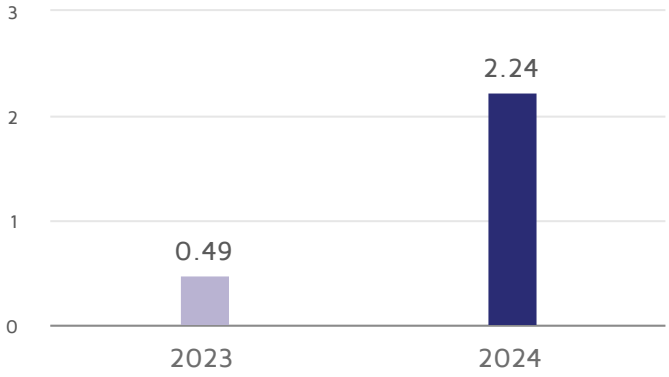
Financial ratios

The net financial debt/EBITDA ratio was 2.24 (0.49 in 2023), mainly due to the acquisition of Haynes International at the end of the year.

The gearing ratio stood at 44%.

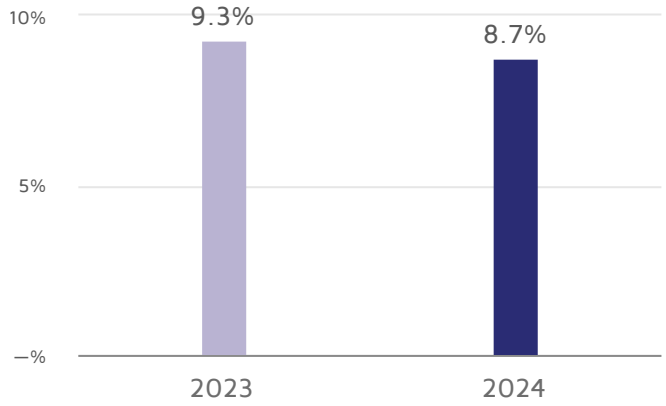
Return on capital employed (ROCE) was 9.4%% in 2024 (13.3%% in 2023).

Net financial debt to EBITDA - No. of times

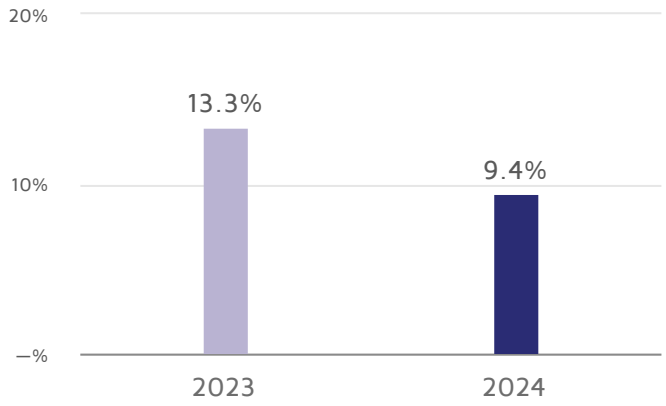


ROE in 2024 stood at 8.7% while ROCE was 9.4%

ROE - %



ROCE - %



Results by divisions

Stainless steel division results

EUR million	2024	2023	24/23
Melting shop production (thousands of metric tons)	1,674	1,869	-10%
Net sales	4,100	5,195	-21%
EBITDA	**384**	**533**	**-28%**
EBITDA margin	**9%**	**10%**	
Depreciation and amortization charge	-124	-138	-11%
EBIT	267	237	13%
EBIT margin	**7%**	**5%**	

Revenue was down 21% compared to 2023 due to lower sales, the Acerinox Europa strike and price drops in all markets where the Group operates.

EBITDA amounted to EUR 384 million, 28% down on 2023. This figure includes an inventory adjustment to net realizable value of EUR 47 million.

For the year as a whole, an operating cash flow of EUR 475 million was generated, with a reduction in working capital of EUR 13 million. This was lower than expected despite the market situation, impacted by the strike at the Acerinox Europa factory and the reduction in suppliers due to the cessation of activity at Bahru Stainless.

Cash flow

EUR million	2024	2023
EBITDA	384	533
Changes in working capital	13	206
Corporate income tax	-130	-230
Finance costs	7	17
Other adjustments	-119	-50
OPERATING CASH FLOW	**154**	**475**

The "other adjustments" item includes the EUR 146 million from the sale of Bahru Stainless that has affected EBITDA, however said amount does not represent cash input, as well as the positive conversion differences.

High-Performance Alloys Division results

EUR million	2024	2023	24/23
Melting shop production (thousands of metric tons)	79	76	4%
Net sales	1,334	1,437	-7%
EBITDA	**117**	**175**	**-33%**
EBITDA margin	**9%**	**12%**	
Depreciation and amortization charge	-36	-24	53%
EBIT	**81**	**151**	**-46%**
EBIT margin	**6 %**	**11%**	

The consolidation of Haynes International in the Group's figures took place in December. For this reason, the High-Performance Alloys Division assumed all of Haynes' debt at the time of the acquisition but contributed only one month to the results.

High-performance alloys revenue reflected market momentum with -7% decrease compared to 2023. The major differences with respect to 2023 were mainly due to the effect of raw materials, which were very positive in that year and not so this year.

EBITDA generated, at EUR 117 million, was -33% lower than in the previous year. At year end, an inventory adjustment to net realizable value of EUR 10 million was carried out.

Meanwhile, operating cash flow was EUR 140 million, due to a decrease in working capital of EUR 58 million.

Cash flow

EUR million	2024	2023
EBITDA	**117**	**175**
Changes in working capital	58	-126
Corporate income tax	-1	-3
Finance costs	-18	-25
Other adjustments	-17	-14
OPERATING CASH FLOW	**140**	**7**

4.4 Average supplier payment period

Law 18/2022 of September 29 on the creation and growth of companies modified the regulations related to the average supplier payment period. The third additional provision, which establishes the duty of disclosure, requires all companies to expressly include their average supplier payment period in the notes to their Annual Accounts. It also requests the monetary volume and number of invoices paid in a period shorter than the maximum established in the late payment regulations, the percentage over the total number of invoices and over the total monetary amount of payments to suppliers. Acerinox takes this modification into account.

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

	2024	2023
	Days	Days
Average period of payment to suppliers	67 days	64 days
Ratio of operations settled	66 days	62 days
Ratio of transactions pending payment	72 days	81 days
EUR thousands	**Amount**	**Amount**
Total payments made	1,108,598	2,363,976
Total outstanding payments	140,333	189,493

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

Considering only domestic suppliers, the average payment period is reduced by three days as shown below:

	2024	2023
	Days	Days
Average period of payment to suppliers	64 days	57 days
Ratio of operations settled	64 days	55 days
Ratio of transactions pending payment	63 days	77 days
EUR thousands	**Amount**	**Amount**
Total payments made	642,355	1,235,767
Total outstanding payments	83,725	108,716

This year's figures were affected by the strike at Acerinox Europa, which caused the factory to be closed for five months, preventing the management of invoices and payments in a timely manner.

The rest of the Group's Spanish companies comply with the payment terms established for domestic suppliers.

The supplementary information required by regulations is included below:

	2024	2023
a) Monetary volume of invoices paid within a period equal to or less than the maximum established in the regulations on late payment	467,243	1,129,490
Percentage share of total number of invoices of payments to its suppliers	42%	47%
b) Number of invoices paid within a period equal to or less than the maximum period established in the late payment regulations	21,395	22,172
Percentage share of total monetary payments to its suppliers	38%	40%

4.5 Acerinox shares

Acerinox's share capital during 2024 did not change: at December 31, 2024, it stood at EUR 62,333,843, represented by 249,335,371 shares with a par value of EUR 0.25 per share.

All shares are admitted to official trading on the Madrid and Barcelona stock exchanges and are traded on the continuous market.

At December 31 2024, Acerinox had a total of 47,000 shareholders:

	No. of shares	% capital
Corporación Financiera Alba SA	48,101,807	19%
Danimar 1990 SL	14,224,988	6%
Industrial Development Corporation of South Africa LTDA	8,809,294	4%
Other shareholders	178,174,139	71%

Acquisition of treasury shares

In 2024 a total of 181,224 shares, equivalent to a total of EUR 45,306, were delivered from treasury stock to Acerinox senior managers for their participation in LTI programs.

The number of shares acquired as treasury shares in 2024 was 100,000 shares. The par value of the acquisitions was therefore EUR 25,000.

At December 31, 2024 Acerinox held a total of 25,143 treasury shares.

Domestic investors represent 63% of the share capital and foreign investors 37%.

Analyst and investor relations

Acerinox guarantees the market equal access to information through all communication channels. Our website (acerinox.com) plays a very important role in applying this transparent communication policy and serves as a guarantee of access to information.

Any minority shareholder may contact the Shareholder's Office to make any request for information on Acerinox's performance.

Among the most significant issues discussed were the evolution of markets by region, possible corporate operations (mergers and acquisitions), the decarbonization plan, and capital allocation policies.

Share price performance

Throughout 2024, stock markets were characterized by high volatility, mainly affected by the following circumstances:

- Interest rate adjustments implemented mainly by the US' Federal Reserve (Fed) and the European Central Bank (ECB).
- The interruption of crude oil production, geopolitical conflicts, and OPEC decisions.
- Uncertainty due to geo-strategic conflicts.
- Election seasons in the US and Europe

Performance of the world's main indexes in 2024:

	2024
IBEX 35	14.8%
Industrial DJ	12.9%
Nikkei	19.2%
France CAC 40	-2.2%
Euro STOXX 50	8.3%
Germany DAX	18.9%
Ftse MIB	12.6%
CSI 300	14.7%
S&P 100	29.3%
NASDAQ-100 Index	24.9%

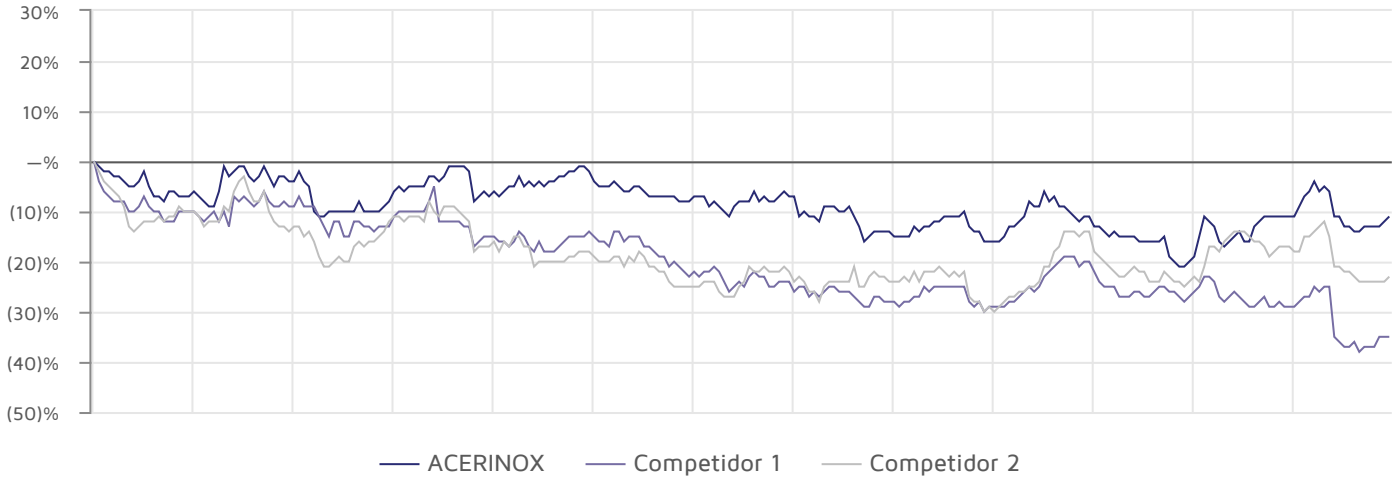
The Acerinox share decreased by 11% during the year and reached a high of EUR 10.59/share on January 2 and a low of EUR 8.41/share on October 31. Our performance, relative to other manufacturers that were treated more harshly by the stock market, shows the successful strategy followed by Acerinox in recent years, with diversification towards higher value-added alloys.

Throughout 2024, Acerinox shares experienced significant movements. The first of these took place in February, following the Haynes International takeover bid and its positive reception by the market.

Low demand during the year and the Acerinox Europa strike led to a prolonged slump for much of the year. At the end of 2024, the sector as a whole was penalized for various "profit warnings" and worst expectations for 2025, although in the case of Acerinox this was offset by the revaluation of the stock due to the electoral change in the US.

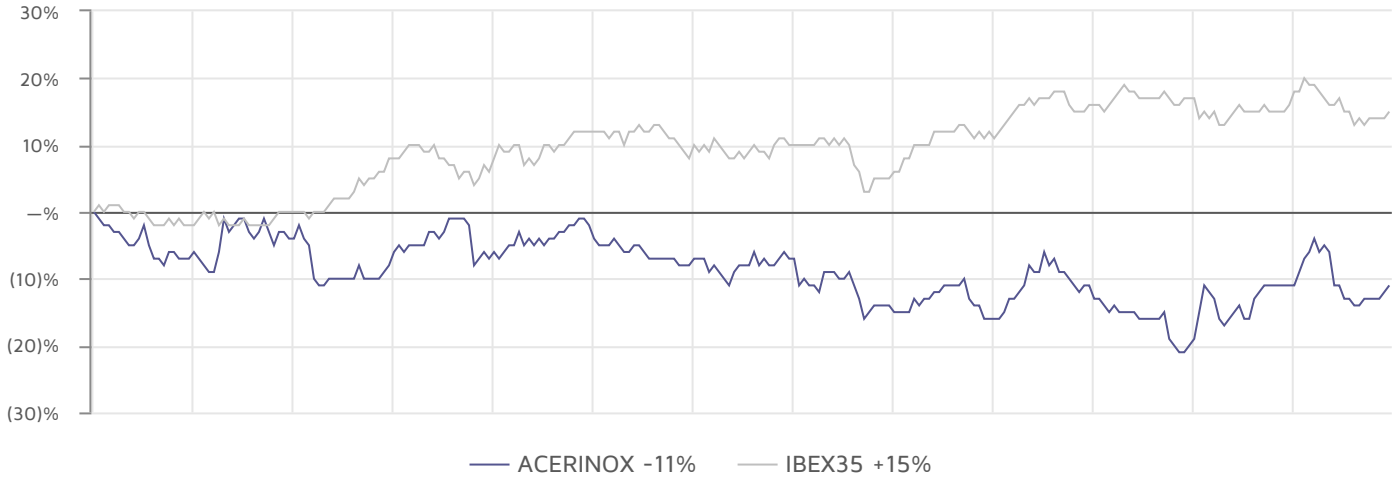
Stock market evolution of Acerinox and its European competitors

Daily percentage data, 2024.



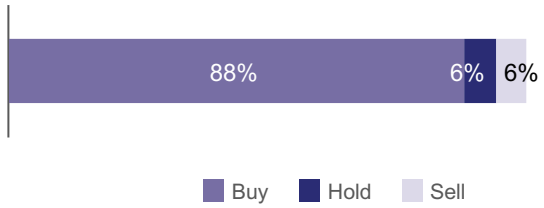
Stock market evolution of Acerinox and the IBEX 35

Daily percentage data, 2024.



Analysts' recommendations regarding Acerinox did not change significantly during the year. 85% issued a "buy" recommendation at the beginning of the year, as did 88% at the close; 6% of analysts advised holding and 6% selling.

Analyst recommendations

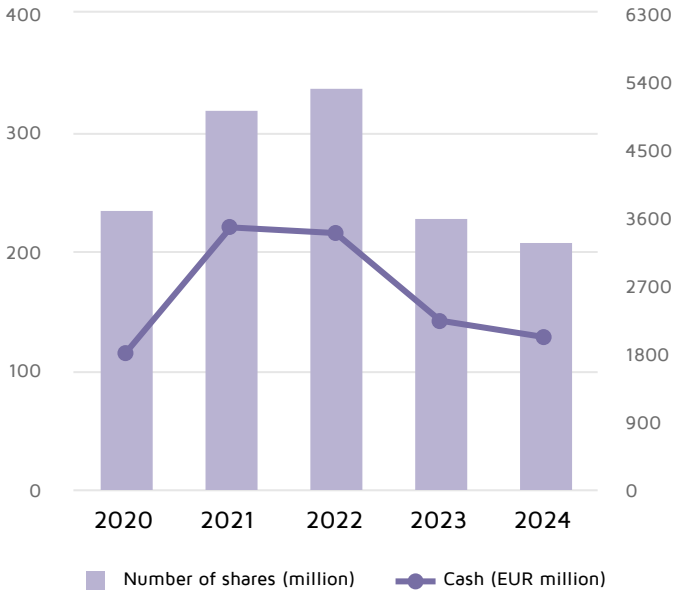


The average target price of analysts following Acerinox was EUR 12.8/share.

In 2024, Acerinox shares traded on the 256 days the continuous market was in operation. The total number of shares traded amounted to 207,558,363, with average daily trading of 810,774 shares.

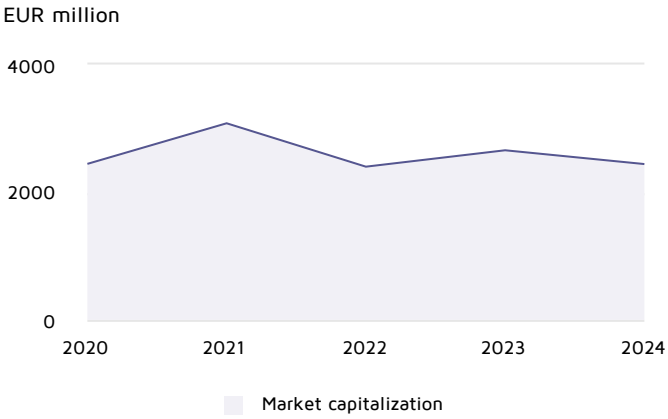
In 2024, trading totaled EUR 2,010,376,045, entailing a daily average of EUR 7,853,031.

Trading volume



At December 31, 2024, Acerinox's market capitalization was EUR 2,356 million (EUR 2,657 million in 2023).

Market capitalization of Acerinox, S.A.



4.6 Shareholder remuneration

In 2024, Acerinox shareholders received EUR 154.5 million in dividends. The General Shareholders' Meeting, held on April 22, 2024, approved the Board of Directors' proposal to pay a dividend for 2023 (to be paid in 2024) totaling EUR 0.62 per share, an increase of 3.3% over the previous year.

Dividend payment

As established in Acerinox's Dividend Policy, in 2024, the following payments were made:

- Interim dividend for 2023 of EUR 0.31 per share, paid in January 26, 2024.
- Final dividend for 2023 of EUR 0.31 per share, paid on July 19, 2024.

Dividend policy

In 2023, the new Acerinox Dividend Policy, approved by the Board of Directors in December 2022, came into effect. Its purpose is to establish the essential principles that will govern the shareholder compensation agreements submitted by the Board of Directors to the General 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 and the Group's earnings performance, and while net debt does not exceed 1.2x recurring EBITDA for the cycle permit, the Board of Directors may resolve to provide Acerinox shareholders with extraordinary shareholder remuneration through share buyback plans or the payment of extraordinary dividends pursuant to authorization at the General Shareholders' Meeting.

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

- A payment on account in January.
- A supplementary 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 market conditions so advise.

4.7 Alternative performance measures (APMs)

In accordance with European Securities and Markets Authority (ESMA) guidelines, a description of the main indicators is included in this report. These indicators are recurrently and consistently used by the Group to evaluate financial performance and explain the evolution of its business:

Alternative performance measures related to the income statement

EBIT: Operating income. EBIT for FY 2024 amounted to EUR 348 million.

EBITDA (or Gross operating income): Operating income + Asset impairment + Depreciation + Amortization + Change in current provisions

EUR million	2024	2023
EBIT	348	374
Impairment of assets		156
Depreciation and amortization charge	160	171
Changes in current provisions	-8	2
EBITDA	500	703

Adjusted EBITDA: EBITDA discounting the extraordinary events during the year:

EUR million	2024	2023
EBITDA	500	703
Sale of assets (Bahru Stainless)	-146	
Acquisition expenses for Haynes International	21	
Provision for Acerinox Europa's Staff Rejuvenation Plan.	12	
Inventory adjustment	58	65
Adjusted EBITDA	445	768

Alternative performance measures related to the Balance sheet and leverage ratios

Net financial debt: Current bank borrowings + Non-current bank borrowings - Cash

EUR million	2024	2023
Current loans	1,464	1,291
Non-current loans	919	844
Cash	1,263	1,794
Net financial debt	1,120	341

Net financial debt / EBITDA:

EUR million	2024	2023
Net financial debt	1,120	341
EBITDA	500	703
Net financial debt / EBITDA	2.2x	0.5x

Debt ratio: Net financial debt / Equity

EUR million	2024	2023
Net financial debt	1,120	341
Equity	2,575	2,463
Net financial debt / Equity	44%	14%

Alternative performance measures related to cash flow

Working capital: Inventories + Customers - Trade payables

EUR million	2024	2023	Variation
Inventories	2,062	1,861	201
Customers	551	560	-9
Trade payables	666	787	-121
Working capital	1,947	1,634	313

Alternative performance measures related to company profitability

ROCE: Operating income/(Equity + Net financial debt)

EUR million	2024	2023
EBIT	348	374
Equity	2,575	2,463
Net financial debt	1,120	341
ROCE	9%	13%

Adjusted ROCE: Adjusted operating income / (Equity + Net financial debt)

EUR million	2024	2023
Adjusted EBIT	348	530
Equity	2,575	2,463
Net financial debt	1,120	341
Adjusted ROCE	9%	19%

ROE: Profit per share after tax and non-controlling interests / Equity

EUR million	2024	2023
Profit after tax and non-controlling interests	225	228
Equity	2,575	2,463
ROE	9%	9%

Other Alternative Performance Measures

Payout: Shareholder remuneration / Profit after tax and non-controlling interests

EUR million	2024	2023
Shareholder remuneration	155	150
Profit after tax and non-controlling interests	225	228
Payout	69%	66%

Book value per share: Equity / no. of shares

	2024	2023
Equity (EUR million)	2,575	2,463
Number of shares at year-end	249,335,371	249,335,371
Book value per share (Euros)	10.3	9.9

Earnings per share: Profit per share after tax and non-controlling interests / No. of shares

	2024	2023
Profit after tax and non-controlling interests (EUR million)	225	228
Number of shares at year-end	249,335,371	249,335,371
Earnings per share (EUR)	0.90	0.91

4.8 Responsible tax policy

In line with the Acerinox goal to advance with the development of ethical and transparent corporate governance, the Group has a firm commitment to sustainability that also extends to taxation. Taxes are a fundamental tool for creating long-term sustainable value and now, more than ever, society needs a commitment from enterprises in all areas concerned with this matter.

Acerinox believes in strict adherence to tax legislation in all the countries where it operates, in cooperating with the tax authorities and in tax transparency.

Since its approval in 2011, Acerinox has adhered to the Code of Good Tax Practices and is an active participant in the Tax Forum for Large Companies.

As a sign of its commitment to best practices in tax matters, collaboration with the tax authorities and transparency, the Group voluntarily submitted for the third consecutive year, a tax transparency report to the Spanish Tax Authority. The purpose of this report is to provide information on certain aspects of the companies' economic activity, among others:

- Explanation of the Group's tax strategy approved by the management bodies.
- Tax contribution.
- The transfer pricing policies applied by the Group.
- The degree of consistency with the principles of the OECD's Base Erosion and Profit Shifting (BEPS) actions.
- Explanation of the most significant corporate actions.
- The cooperative programs in which the Company participates.

As a result of this commitment, the Group was awarded the highest category T for Transparent 2023 seal for responsible taxation and good governance by the Haz Foundation. This award demonstrates compliance with transparency indicators; Acerinox is one of the only 13 companies to have been awarded this seal. It is the leading company in its sector and is consequently perceived as one of the most transparent companies in the industry.

In recent years, in its integrated annual report on the website, the Group has published details of its tax contribution in the countries where it operates, as well as the General Tax Policy.

Likewise, Acerinox has been an active party in various procedures in the cooperative field, including its participation in the OECD-backed ICAP program, which began in mid-2019 and concluded in March 2022 with the receipt of letters from the various participating tax administrations; these categorized the transactions examined, in general, as low tax risk. Acerinox also has a bilateral advance pricing agreement (APA) with the Spanish and German tax authorities; signed in 2017, it is now in the renewal process. In addition, it has collaborated with the tax authorities in the resolution of various mutual agreement procedures.

Key indicators. EUR million

155	131	671	5,557	5,524	33
Shareholder remuneration	Taxes paid	Staff remuneration	Direct economic value generated	Economic value distributed	Economic value retained

The direct economic value generated includes the Group's revenue for other operating income (excluding extraordinary income), subsidy income, interest income, and proceeds from the sale of fixed assets.

Public subsidies received

Public subsidies received (EUR thousands)	2024	2023
R&D	2,271	1,889
Environment	14,083	24,612
Allocation of CO_2 allowances	13,129	19,113
Aid related to COVID-19	0	29
Training	202	273
Other	8	63
Total	**29,693**	**45,979**

The economic value distributed includes purchases of commodities and consumables, operating expenses (excluding extraordinary expenses), taxes, personnel expenses, financial interest expenses, payments, dividend payments, purchases of treasury shares, and corporate income tax payments

Financial Transparency Seal

FISCAL RESPONSIBILITY 2024

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. The company was awarded the highest category of seal (three stars); this seal is granted to entities, such as Acerinox, that meet more than 90% of the indicators. This recognition reflects the company's firm commitment to tax transparency.

Internal monitoring and oversight framework

The Acerinox Group's General Tax Policy forms part of the Company's corporate governance system. It is available on the company website and sets out the principles and good practices for tax management, with a view to ensuring compliance with applicable tax legislation, adequately coordinating the management of all Group companies, and preventing tax risks and inefficiencies when making business decisions. The tax risk management and internal control framework also falls under the Risk Control and Management Policy, available on the company website. See 6. Risk management in this report for details of the management principles.

The Acerinox Group is aware of this importance of BEPS principles within its activity, and has therefore developed different internal mechanisms to comply with them. To ensure compliance with these principles, the Group self-assesses BEPS risks annually, in accordance with the 19 tax risk indicators established by the OECD. Acerinox considers that its tax policy is compliant with the BEPS principles and actions approved by the OECD and does not carry out any aggressive tax planning for the purpose of: i) shifting profits to entities in countries with low or no taxation, or ii) using complex mechanisms that would erode taxable income.

Under Contribution to the welfare state, the Acerinox Group's Code of Conduct and Good Practices expressly prohibits the incorporation or holding of entities in territories classified as tax havens for the sole purpose of reducing the corporate income tax base. For these purposes, Acerinox considers as tax havens those places listed in Ministry of Finance Order 115/2023 of February 9 or its subsequent amendments.

Acerinox also complies with the legislation in each country where it operates and pays the corresponding taxes as per the regulations in force.

4.9 Post-closing events

The Acerinox Board of Directors, at their meeting of December 18, 2024, approved the distribution of an interim dividend for the year 2024 payable in cash of EUR 0.31 gross per share for each existing and outstanding share entitled to receive such dividend.

The interim dividend for 2024 was paid on January 24, 2025 through the depositary entities participating in the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (IBERCLEAR). This dividend will be submitted for approval at the General Shareholders' Meeting to be held in 2025.

5

Corporate governance

Corporate governance

Corporate Governance is the set of rules, principles, and procedures that regulate the Company's governing bodies.

In 2024, the following modifications were made in the area of Corporate Governance:

- The Acerinox General Shareholders' Meeting held on April 22, 2024, agreed to the Board of Directors' proposal to amend Article 24 of the Company Bylaws to regulate the position of Lead Independent Director. The change was approved with 99.67% of the concurrent voting capital present or represented at the Meeting voting in favor.
- The General Shareholders' Meeting held on April 22, 2024, at the proposal of the Board of Directors, approved the amendment of Article 25 of the Company Bylaws. The aforementioned amendment was approved to eliminate per diems for attending Board and committee meetings from the remuneration system of Acerinox's Board of Directors. Instead, Directors shall receive only fixed annual allowance, payable monthly in arrears and prorated on a daily basis in the event that they do not occupy the corresponding position during the entire year. The determination of the remuneration of each Director shall be made by the board and following a report from the Appointments, Remuneration and Corporate Governance Committee, within the framework of the Bylaws and the Remuneration Policy in force, respecting the maximum annual amount and other criteria contained therein. The amendment of this article of the Company Bylaws was approved with 99.6% of the voting capital in attendance and represented at the Meeting voting in favor.
- The General Shareholders' Meeting held on April 22, 2024 approved a new Directors' Remuneration Policy, applicable from the moment of its approval for fiscal years 2025, 2026 and 2027. This Policy eliminates Directors' per diems for Board and Committee attendance, establishes individual remuneration for Board Members in their capacity as such in accordance with their duties and dedication, modifies the remuneration system for the Chief Executive Officer in relation to his fixed and variable remuneration, and improves the alignment of the Policy with trends in Corporate Governance. This Policy was approved by the General Shareholders' Meeting with 95.19% of the voting capital in attendance and represented at the Meeting voting in favor.
- At its meeting held on April 22, 2024, the Board of Directors approved an amendment to the Regulations of the Board of Directors in order to adapt the aforementioned Regulations to the Directors' Remuneration Policy, eliminating from the directors' remuneration system per diems for attending Board meetings and establishing, in their place, a fixed annual allowance payable monthly in arrears and prorated on a daily basis in the event that the position of Director is not occupied during the entire year.

The Acerinox Board of Directors carried out an annual evaluation of its performance and that of its Committees in 2024 through the Company's internal services.

The 2024 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 and Acerinox websites from the date of publication of the 2024 Annual Accounts. The Annual Directors' Remuneration Report for the 2023 fiscal year was approved by the General Shareholders' Meeting held on April 22, 2024,with 95.13% of the shares present or represented.

The Board of Directors, in collaboration with its Committees, approves the Group's policies. The Board of Directors and its Committees, for their part, monitor the company's targets, including those related to sustainability.

Board of Directors

In 2024, the Acerinox Board of Directors, composed of 11 Directors, met on 12 occasions. During the year, there were no changes in the composition of its members.

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 General Shareholders' Meeting.

Holder of 22,222 shares at December 31, 2024.

LAURA G. 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 General Shareholders' Meeting.

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 General Shareholders' Meeting.

Holder of 118,944 shares at December 31, 2024.

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, 2024.

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

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 General 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 General 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.

Sits on the Sustainability Committee and the Audit Committee.

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

LETICIA IGLESIAS HERRAIZ

External Independent

Member of the Board of Directors since 2020.

Chairs the Audit Committee and is a member of the Sustainability Committee.

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

MARTA MARTÍNEZ ALONSO

External Independent

Member of the Board of Directors since 2017, re-elected in 2021.

Member of the Sustainability Committee.

Re-elected with the favorable vote of 98.05% of the subscribed voting capital attending the 2021 General 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 the Appointments, Remuneration and Corporate Governance Committee

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

Holder of 9,997 shares at December 31, 2024.

LUIS GIMENO VALLEDOR

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

Holder of 32,472 shares at December 31, 2024.

The Company Bylaws establish that the board may have between five and 15 Directors. Although the maximum number has been reached in the past, there are currently 11 Directors after the former chairman stepped down in 2022. This number is considered adequate to understand the needs of the company, although it is subject to change in the future if the circumstances so require.

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

Men Women

*C: Chairman

36.6% of Board members are women.

Board of Directors	7	4
Executive Committee	5	1
Audit Committee:	2	2
Appointments Committee	3	1
Sustainability Committee	2	3

Board committees

Executive Committee

Composed of six members, it held two meetings.

Audit Committee:

Composed of four members, it held eleven meetings.

Appointments, Remuneration and Corporate Governance Committee

Composed of four members, it held ten meetings.

Sustainability Committee

Composed of five members, it held seven meetings.

Management Committee

At December 31, 2024, the following members sat on the Acerinox Management Committee:

Lucía Alonso de Noriega	Internal Audit
Esther Camós	Chief Financial Officer
José Campuzano	Health, Safety and Environment
Carlos Castillo	Legal Department
Marisa Dafauce	Human Resources
Antonio Fernández de Mesa	Financial
Miguel Ferrandis	Chief Corporate Officer
Cristóbal Fuentes	CEO of North American Stainless
José Manuel Garcelán	Compliance
Juan García	Risks
Antonio Gayo	Strategy
Luis Gimeno	Secretary General and Secretary of the Board

Fernando Gutiérrez	CEO of Acerinox Europa
Alexander Kolb	Deputy Secretary General
Carlos Lora-Tamayo	Investor Relations, Communication, Consolidation and Reporting
Carlos Marqués	Raw material purchases
Niclas Müller	CEO of VDM Metals
Deniza Puce	Indirect Purchases
Alberto Ruiz	Cybersecurity
Carlos Ruiz	Sustainability
Johan Strydom	CEO of Columbus Stainless
Isabel Vaca	Information Systems
Bernardo Velázquez	Chief Executive Officer

Senior Management remuneration

The variable remuneration of senior management, and therefore of Executive Directors (only the CEO at present), was determined on the basis of a series of metrics:

- The first set of metrics is related to Acerinox's financial performance, such as EBITDA, profit after tax and non-controlling interests, and net debt.
- The second set are specific indicators of the companies for which the pertinent member of management is directly and particularly responsible.
- The third and last set of metrics reflect sustainability performance.

Further details on the CEO's bonus can be found in the Directors' Annual Remuneration Report, which is published at the same time as this report and is available on the Group's website and the Spanish National Securities Market Commission. The total remuneration of senior management can also be consulted in the Annual Corporate Governance Report, which is available on the Company's website and on the CNMV's website.

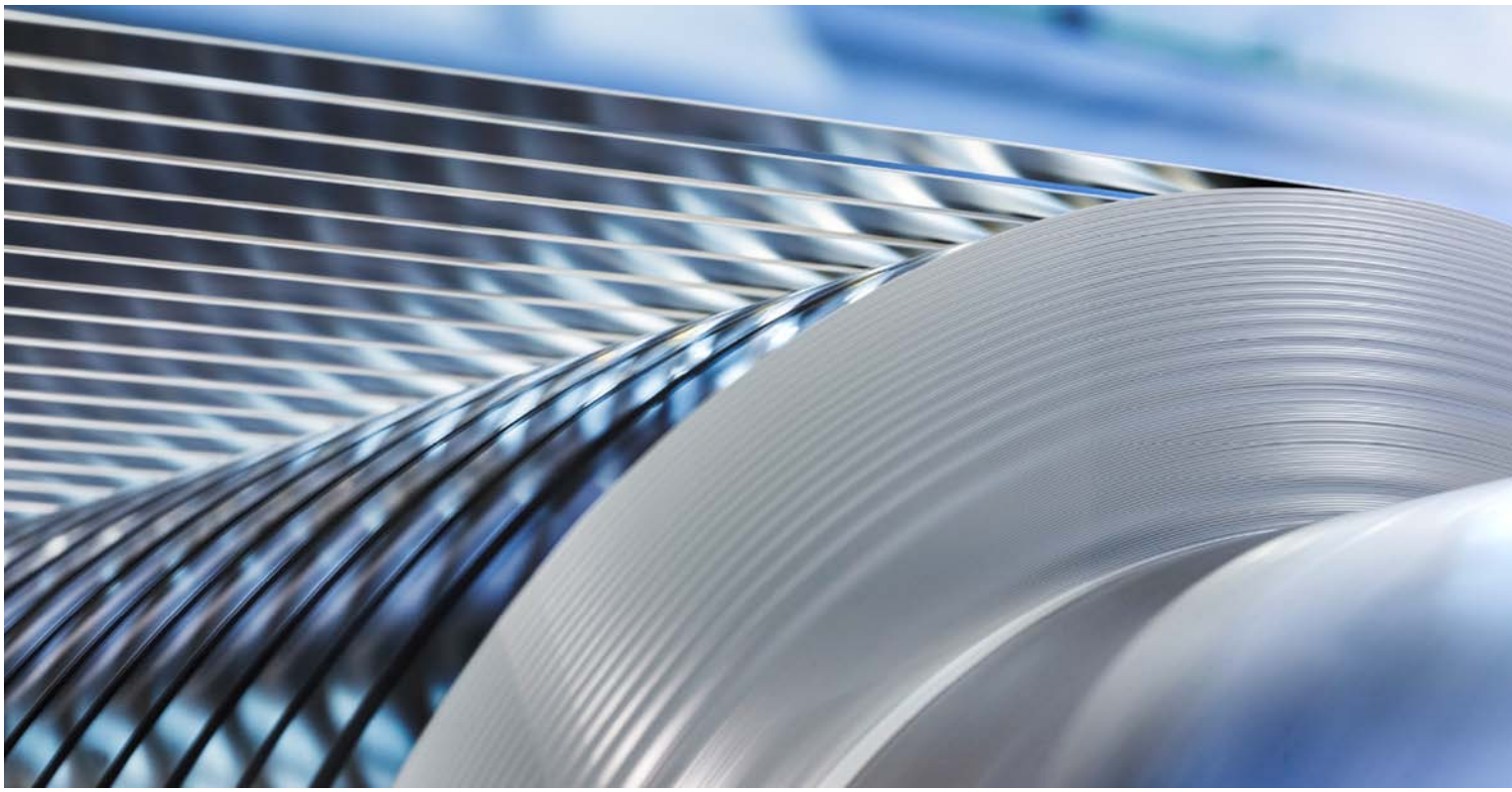
Senior management remuneration, including the Chief Executive Officer and other ensembles within Group Management, through Company share-based payments, will be determined according to the profit obtained by shareholders over a three-year period. This is measured based on Total Shareholder Return and Return on Equity during these cycles.

General Shareholders' Meeting

The Acerinox General Shareholders' Meeting was held on April 22, 2024 in Madrid with the physical attendance of the Company's shareholders. A total of 1,874 shareholders, either in person or by proxy, were in attendance, representing 58.44% 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 Bylaws.

6

Risk management



Risk management

In today's dynamic business world, Acerinox faces a wide variety of risks and threats that are increasingly complex and difficult to foresee. Against this backdrop, fostering a solid risk culture becomes a fundamental necessity.

Acerinox's entire organization is actively committed to this, starting with senior management, which is responsible for the design, implementation, and monitoring of the Risk Management System. This program, which is overseen by the Board of Directors, is aligned with the COSO ERM three-line model to cover all the Group's business areas:

- The first line of defense comprises operational profiles in charge of identifying and assessing specific risks related to their operations.
- The second line of defense is formed by the Group's Corporate Risk department, which is in charge of developing and monitoring risk management processes, as well as coordinating with the business units to evaluate these properly.
- The third line of defense is the responsibility of the Internal Audit department, which ensures that both previous lines are effective.

To support compliance with the Risk Management System, Acerinox has established the General Risk Monitoring and Management Policy of Acerinox S.A. and its Group of companies. This policy sets out the basic principles and the general framework to monitor and manage the risks faced by the Group.

Integrating risk management at all levels of the company fosters a proactive mindset that helps identify and assess potential threats, reflecting a strong risk culture that translates into:

- **More resilience**: a solid risk culture allows for better preparation to face crises and adapt to unforeseen changes.
- **Improved decision-making**: by systematically considering risks, decisions are made in a more informed and strategic manner.

- **Loss reduction**: identifying and mitigating risks early avoids financial and reputational losses.
- **Regulatory compliance**: a strong risk culture facilitates compliance with regulations and industry standards.
- **Fostering innovation**: the analysis of own risks stimulates innovation and growth, in turn generating new techniques and products.

Source: Institute of Risk Management (IRM)

Integrating risk culture into product development: sustainable product innovation

As part of the Group's risk culture, sustainable product innovation plays a key role in responding to and mitigating environmental and ESG risks:

- Reduction of carbon footprint (renewable energy, recycled material).
- Regulatory compliance (adaptation to increasingly stringent environmental regulations).
- Improved global reputation (growing demand from responsible consumers, better perception of the company in terms of sustainability).

Therefor, Acerinox developed EcoACX®, a new low-emission solution validated under ISO 14067 by an external certification body to meet environmental requirements and, in turn, satisfy market needs.

As described in section 3.1 of this document, three externally validated key indicators stand out:

- More than 90% of the raw materials used in its manufacture come from recovered material.
- It represents a reduction of at least 50% in terms of CO_2 per metric ton compared to the standard product.
- All the energy used to make it is renewable.

Main risks

The Group's risk management model, based on the COSO ERM framework, makes it possible to simplify, unify, and homogenize risk handling, with the Board of Directors as the main driving force and the last line of defense (annual audits) involved. Established risk management provides a solid framework for dealing with risks effectively. The Group, through at least two annual reviews, is able to systematically identify, assess, address, monitor and communicate risks, enabling more informed decisions and improved long-term performance.

Category	Main risks	Description and examples	Main responses
External	**Economic cycles**	The uncertainty associated with political changes following elections in many countries and new policies could lead to new trajectories for inflation, indebtedness, trade flows, and production costs.	Strategic plans focused on higher value-added products with the goal of having a more stable volume and margin base in low price cycles.
	Geopolitical	In an increasingly complex and rapidly changing world, social divisions have deepened, geopolitics is multipolar, and politics is veering toward protectionism, hindering both trade and investment. International military conflicts add stress to supply chains.	Constant global monitoring to mitigate and/or anticipate economic impacts and potential supply chain disruptions.
	Trade barriers	As a result of geopolitical changes and the shift towards protectionist policies, there is uncertainty about potential impacts due to the Group's global nature.	Monitoring of global trade trends with an active presence in the main local and international organizations and institutions.
ESG	**CO_2 emissions**	In matters relating to environmental, social and corporate governance (ESG), the most significant risks are those related to the reduction of CO_2 emissions, energy and occupational health and safety. Acerinox has targets for 2030 linked to these three areas; the specific action plans can be found in the corresponding sections of this report.	Sustainability Master Plan, called Positive Impact 360° It establishes 5 pillars, including eco-efficiency and climate change mitigation, as well as LTIFR / TIR accident rates reduction.
	Energy		
	Health and safety		
	Labor unrest	The year 2024 was marked by a strike lasting almost 5 months at the Algeciras factory.	Signing of a new collective bargaining agreement effective to December 31, 2027.
	Climate change in the medium and long term	An analysis of transition risks and physical risks was performed following the TCFD. The analysis takes into account the climate-related risks identified in the CSRD.	Decarbonization plan. Implementation of energy efficiency measures, increased use of renewable energies and greater use of sustainable fuels.
Financial	**Raw material price volatility**	The production of stainless steel and high-performance alloys requires raw materials, mainly nickel, ferrochromium and scrap. The prices of these raw materials are subject to significant volatility.	Alloy surcharge mechanisms and/or, if applicable, financial hedges to try to minimize the impact of the volatility linked to raw materials.
	Macroeconomic, market and third-party insolvency variables	This same context may put special stress on different macroeconomic and market variables, such as interest rates, exchange rates and commodity prices, and likewise the insolvency of third parties. These are risks that the Group faces in its daily operations in order to achieve its financial targets.	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**	While cybersecurity has always been present as a risk factor, the irruption of new technologies (AI) has increased this. threat. This could lead to business interruption, loss of critical information, loss of customers and supplier trust or the imposition of fines by the authorities.	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**	The availability of raw materials and basic supplies are fundamental to the Company's production process. Their timely and proper availability, as well as the quality and reliability of the products supplied, are fundamental to our work.	Through the implementation of corporate tools, the Group strives to maintain adequate stability in the supply chain, monitoring the quality and reliability of its raw materials suppliers, and other basic supplies necessary to ensure the continuity of our production process
Strategic	**Strategic plans**	The execution and correctness of the strategic plans implemented by the company always comes with a risk of not achieving the targets set. Strategic investments, M&A processes, plans for improvement and target achievement, etc.	Non-strategic divestment plans for the Group (sale of Bahru Stainless), as well as investments focused on higher value-added products (high performance steels) and strategic markets (purchase of Haynes International).

Emerging risks

Managing emerging risks is an ongoing challenge, but one that is essential to the long-term survival and success of any organization. By understanding the characteristics of these risks and taking a proactive approach, the Group can mitigate their impact and take advantage of opportunities associated with them.

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. Due to their changing nature, they can be difficult to anticipate and quantify.

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.

These emerging risks include risks associated with:

- Technological Disruption and Automation: the increasing adoption of industrial robots and automated systems could lead to a reduction in the workforce and changes in the skills required.
- Artificial intelligence: could optimize production processes, but also poses challenges in terms of data security and the ethics of automation.
- Trade wars and political instability: tariff policies and protectionism generate trade tensions between countries that can affect supply chains and increase costs. In addition, geopolitical conflicts can disrupt operations in certain regions.

New regulations associated with sustainability, the transition to a low-emissions economy, along with stricter standards on emissions, energy consumption, waste management, and the demand for sustainable products mean a need for products manufactured in a responsible, sustainable manner using recycled materials.

Review of the cybersecurity model

Acerinox considers cybersecurity risk management to be fundamental, and therefore continued to strengthen its organizational structure, processes, and technologies in this area throughout 2024.

To make the strategy established in 2023 a reality, the Company continues to implement its cybersecurity program in line with a three-year master plan, focused on continuous improvement of asset protection, operational resilience, cyber threat detection and response capabilities, and cybersecurity governance.

Its cybersecurity governance, led by the Group's senior management and structured by corporate and business unit security committees, reinforces consistency throughout the organization. In addition, it continues to be subject to independent control and review by the audit committee.

With these efforts, the Group continues to maintain a proactive approach to current and emerging threats, ensuring the protection of information, business continuity, and the trust of its stakeholders.

7

Consolidated Non-Financial Information Statement and Sustainability Information

7.1 General information

General basis for preparation of sustainability information

BP-1

The purpose of the report is to provide our stakeholders with a fair view of the most significant aspects, commitments, practices, and results from 2024. This report is prepared using the same consolidated basis as the financial statements, for Acerinox and all the Group's production and sales companies. Thus, the consolidated sustainability data covers both the parent company and its subsidiaries.

At 2024 year-end, the Group's production network consisted of 15 factories. These include five stainless steel factories: three integrated factories (Acerinox Europa, NAS and Columbus Stainless; the Bahru Stainless plant was sold during the year) and two long product factories (Roldán and Inoxfil). The Company also had seven other high-performance factories in the US and Germany, owned by VDM Metals. At the end of the year, Acerinox acquired Haynes International, also dedicated to the manufacture of high-performance alloys, and which has 3 factories in the US.

The information reported accounts for Bahru's information up to its sale and Haynes' information since its incorporation to the Acerinox Group. In the case of Haynes, its business and operating model is similar to that of the company's other companies in the High-Performance Alloys Division, so no additional material IROs have been identified. We have analyzed different magnitudes related to sustainability, including staff, energy consumption, emissions, health and safety, and so on, identifying similarities with the rest of the group. In this context, from a quantitative point of view, the information relating to Haynes staff has been included in this report. Taking into account its date of incorporation into the Group, it was the only area with a significant effect on the Group's overall data. In addition, it has been verified that there were no significant impacts in the area of health and safety or compliance with business ethics. Details of the Haynes acquisition are explained in Note 1 to the Annual Accounts.

The information covers the value chain to the extent necessary to report on material impacts, risks, and opportunities in accordance with the European Sustainability Reporting Standard (ESRS 1).

The extent to which the policies, actions, metrics, and objectives reported go beyond Acerinox's own operations depends on the nature of the issues, and is therefore noted in each section.

Acerinox also reports in response to the qualitative and quantitative requirements of Law 11/2018 on non-financial information and diversity.

Details on omitted information have been provided in each corresponding chapter of this document.

Disclosures in relation to specific circumstances

BP-2

The time horizons considered for the preparation of this report are the following:

- Short term: one year
- Medium term: one to five years
- Long term: more than five years.

Origin of estimates and uncertainty in results: Acerinox aims to report data as correctly and accurately as possible using primary measurement data for our activities.

However, the Company uses estimates in its reports on specific requirements. If this is the case, it is indicated in the relevant section.

Changes: The sustainability information reported in this report has been modified and adapted to comply, for the first time, with the requirements of the CSRD and ESRS in 2024. In those cases in which the calculation criteria have been modified with respect to the previous year, such changes are indicated in the relevant section.

Omissions: Classified information not included in this report is reported in the specified chapters. This includes the financial sums linked to risk levels..

Business model and strategy

SBM-1

The Group, headquartered in Spain, manufactures stainless steel and high-performance alloys and has a melting capacity of 3.5 million metric tons.

Its production network comprises 15 factories on three continents. The Group has five factories in its Stainless Steel Division: three integrated flat product factories (Acerinox Europa - 2,364 employees, North American Stainless - 1,688 employees - and Columbus Stainless - 1,319 employees), along with two long product factories (Roldán - 350 employees - and Inoxfil - 100 employees).

The Group's High-Performance Alloys division (a world leader in this sector) is made up of VDM Metals - 2,074 employees, and Haynes International - 1,276 employees, which have 10 production sites in the US and Germany.

Acerinox products have a wide range of references and are distributed through a wide sales network across more than 80 countries.

Because of their versatility, their physical, chemical and mechanical properties, and their aesthetics, the materials manufactured by the Group are used in a wide variety of sectors.

Our integrated business vision is set out in the Strategic Plan 2021-2025. More details can be found in Section "3.1 Strategy."

Its deployment is based on the Group's vision: to become a supplier that responds to present and future needs by offering the widest selection of materials and solutions. Acerinox efficiently manufactures stainless steels and high-performance alloys with an environmentally-friendly approach that takes into account the needs of the value chain,

The Strategic Plan 2021-2025 includes 4 pillars: added value, excellence, sustainability and financial strength. The Sustainability pillar is deployed through the 360° Positive Impact Master Plan, which is structured around 5 strategic lines:

- Ethical, responsible, 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 product: 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 societal impact: manage the supply chain responsibly and be a company recognized for its commitment to local society and creating positive community impact.

An explanation of the value chain, along with its main inputs and agents, can be found in the SBM-3 and E5-4 chapters.

Double materiality analysis

SBM-2, SBM-3, IRO-1

As a fundamental part of the process of adapting to the Corporate Sustainability Reporting Directive (CSRD), the Group conducted a dual materiality analysis to identify the most significant sustainability issues. The previous materiality analysis was performed in 2022 using a simple materiality methodology. The dual materiality analysis will be reviewed periodically when there are significant changes in the environment, the value chain, or the Group's strategy.

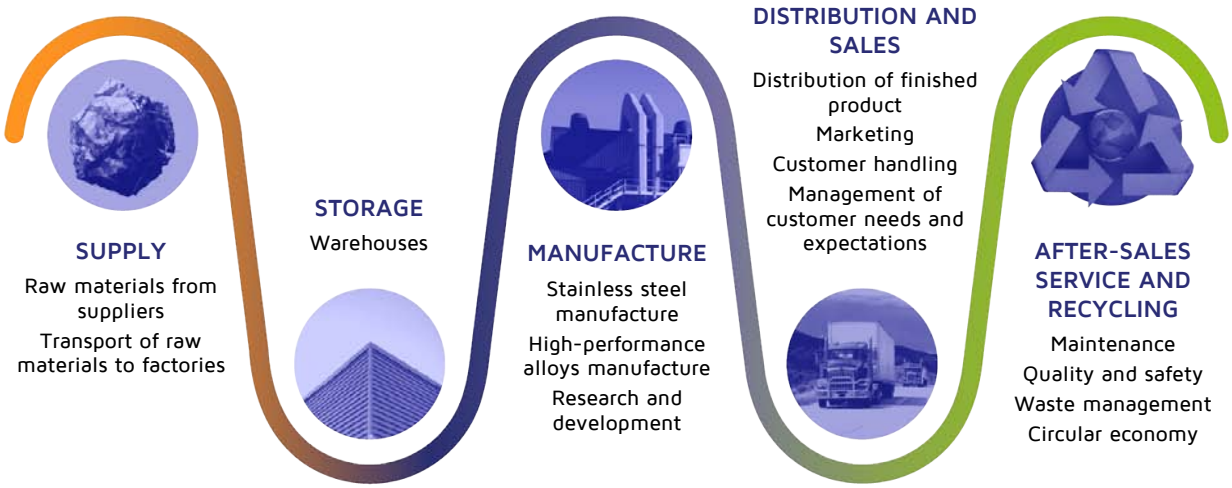
This active listening process allows us to understand the needs and expectations of our stakeholders, both internal and external, as well as to incorporate their views into the analysis based on a comprehensive methodology that includes quantitative and qualitative consultations with employees, management, customers, suppliers, proxy advisors, and investors.

Dual materiality makes it possible to identify the Impacts, Risks and Opportunities (IROs) to which the Group is exposed and those caused by its activity and business relationships. In other words, the environmental matters that impact the Group (financial materiality) and the impact of the Group's activities on the environment and people (impact materiality).

The determination process, carried out in 2024, consists of four phases.

The first phase is the analysis of the organization's context, which allows us to find the main aspects to be considered and take a first look at the most significant impacts, risks and opportunities. For this purpose, internal and external sources have been consulted. These internal sources notably include the results of the 2022 materiality analysis, the Group's risk map, including climate and transition risks, Group assets and resources and Acerinox's sustainability commitment. External sources include the regulatory framework, sectoral ESG trends, and the expectations of analysts and investors. In addition, a sector benchmarking analysis has been performed.

Value chain



Workers in the value chain	Own workforce	Own workforce	Workers in the value chain Own workforce	Own workforce

The second phase is the identification of IROs for the topics, subtopics and sub-subtopics affecting Acerinox and the environment, grouped by topic according to their connection to the environment, society, or governance.

- **Impact**: The effect that the Group's processes, activities, products and/or relationships have on its surroundings (people, environment or society) over time, whether actual or potential, positive or negative.
- **Risk**: Possible events that, if they occur, could have an adverse effect on the Company's business model, financial condition, or strategy.
- **Opportunity**: Possible events which, if they occur, would have a positive effect on the Group's business model and strategy..

For this identification, in addition to the topics proposed in the CSRD standards, the internal and external context analysis from the previous phase - as well as the 2022 materiality exercise - were taken into account.

The Group's entire value chain was also taken into account. In the context analysis, different sources of information were analyzed to help identify the value chain; internal interviews were conducted with the heads of the stakeholder groups to gain an in-depth understanding of the value chain and the significance of the various areas; and surveys were conducted with external stakeholders from different segments of the value chain to get their perceptions and opinions. This phase also took into account the connection of impacts and dependencies with risks and opportunities.

The third phase consisted of the assessment of the IROs, with the participation of internal stakeholders (key area managers, managers, and employees) and external stakeholders (proxy advisors, suppliers, and customers) through interviews and surveys.

The following metrics were used to evaluate or prioritize the identified IROs:

- Magnitude (or scale of impact): How serious or beneficial the impact is or could be for people or the environment.
- Scope of impact: Size of the impact, based on the geographic extent of damage and stakeholders affected.

- Remediability of the impact: Difficulty involved in undoing or compensating for the damage derived from a negative impact.
- Likelihood: Likelihood of a potential impact, risk, or potential opportunity occurring, following the same scale as the Group's risk model.
- Economic valuation: For financial materiality, the magnitude of the consequence of the risk or opportunity was assessed in monetary terms (e.g., income or expense), following the same scale as the Group's risk model.

Metrics used

Magnitude (scale of impact)	
1 to 5	Rating granted on the basis of how inherently beneficial or detrimental the impact is considered to be.

Scope of impact		
5	Global	Extensive effect on people and geography.
3	Medium	Effect on specific geographical areas or groups of people.
1	Limited	Effect on local people or geographical area.

Remediability of the impact		
5	Not remediable	Returning to the state before the impact occurred is not possible.
4	Very difficult to remedy	Requires action (>5 years) that will involve resources from various areas of the company and a recurring budget allocation
3	Difficult to remedy	Requires action (2-5 years) that will involve resources from various areas of the company and one-time budget allocation
2	Remediable with effort	Requires action (<2 years) that will require the area involved to dedicate specific resources, along with one-time budget allocation
1	Easily remediable	Requires one action (<1 year) and no significant resources.

Likelihood		
1	Very high	100% occurrence
0.85	High	75% occurrence
0.7	Medium	50% occurrence
0.6	Low	25% occurrence
0.5	Very low	10% occurrence

Economic evaluation of risks and opportunities*	
5	Very serious damages/Very high benefits
4	Serious damages/High benefits
3	Localized damages/Average benefits
2	Minor damages/Minor benefits
1	No damages or slight damages/No benefits

*The economic magnitudes associated with each risk level are classified information and are therefore not included in this report.

In addition, different time horizons and their relative importance or weight in the final assessment of risk or opportunity were considered:

Time horizon			Weight
Risk / opportunity	Short term	1 year	50%
	Medium term	1-5 years	30%
	Long term	More than 5 years	20%
Impact	Potential	If the action could occur in the future	
	Current	When the action is currently happening or starting to be felt	

The following measurement guide was used to quantify and prioritize material issues:

Measurement guide			
Impact	Positive	Current	(Scale + Scope) x 1.5
		Potential	(Scale + Scope) x 1.5 x Likelihood
	Negative	Current	Scale + Scope + Remediability
		Potential	(Scale + Scope + Remediability) x Likelihood
Financial	Risk		(Economic valuation x likelihood x short-term weight) + (Economic valuation x likelihood x medium-term weight) + (Economic valuation x likelihood x long-term weight)
	Opportunity		(Economic valuation x likelihood x short-term weight) + (Economic valuation x likelihood x medium-term weight) + (Economic valuation x likelihood x long-term weight)

* In the case of potential negative impacts related to human rights, severity is prioritized over likelihood.

The last phase of prioritization consisted of analyzing the results of the IRO assessment in order to identify those that are material.

Result of the dual materiality analysis

SBM-3, IRO-1, IRO-2, GOV-2

There are eight material issues for Acerinox: energy, climate change, water management, circular economy, workforce, supply chain, customers and end-users, and corporate governance and ethics.

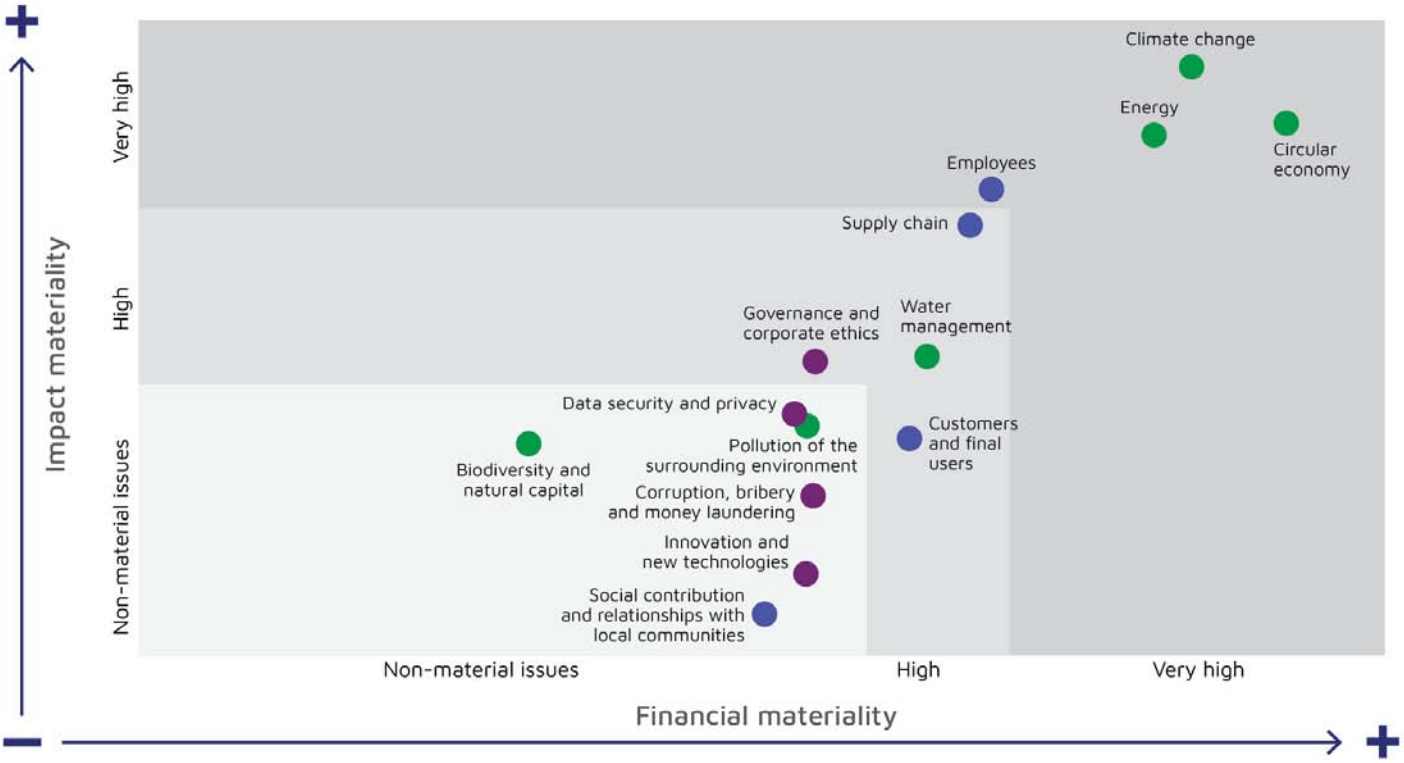
These results were approved by the Sustainability Committee, the Audit Committee and subsequently by the Board of Directors. No changes to the company's business model, strategy or assets were identified, demonstrating the Group's resilience for addressing impacts and risks and taking advantage of business opportunities. This information is taken into account in the review of the Group's risk map.

The complete list of material IROs and their connections to the different topics, subtopics and sub-subtopics included in the CSRD are detailed in Appendix 8.5 List of material IROs..

	ESRS		Acerinox topic	Impact materiality	Financial materiality
E	ESRS E1	Climate change	Energy	●	●
			Climate change	●	●
	ESRS E3	Water and marine resources	Water management	●	●
	ESRS E5	Resource use and circular economy	Circular economy	●	●
Y	ESRS S1	Own workforce	Employees	●	●
	ESRS S2	Workers in the value chain	Supply chain	●	●
	ESRS S4	Consumers and end-users	Customers and end-users	○	●
G	ESRS G1	Business conduct	Governance and business ethics	●	○

● Material ○ Non-material

Double materiality matrix



The most significant material issues, both in terms of their impact on the environment (impact materiality) and their relevance to the business model (financial materiality), are three: climate change, circular economy and energy, though not in that order.

Impact materiality	Financial materiality
1 Climate change	1 Circular economy
2 Circular economy	2 Climate change
3 Energy	3 Energy

The process followed to analyze the IROs specific to the CSRD topics that were found to be material is explained in detail in the chapters corresponding to each ESRS. The process used to analyze the IROs associated with the issues that have turned out not to be material is detailed below:

- E2 Pollution (IRO-1): the Group has analyzed all its operations to identify IROs. To this end, we have taken into account the context and value chain analysis, sector benchmarking, consultations with internal managers and external consultations. in addition, all available information on legal requirements regarding the subject, sanctions that may have been levied, and claims/ complaints from interested parties has been incorporated. As a result of the evaluation of the IROs, this issue has not been identified as material.

  In addition, the Group has an ISO 14001-certified environmental management system, which structures the management of pollution-related activities at the Group's different locations.

  The Group complies with the emission and discharge limits established in the Best Available Techniques (BAT), as well as with the applicable regulations regarding the presence of hazardous substances in products.

  Each year facilities conduct an assessment of their compliance with environmental legal requirements under the ISO 14001 standard. This standard establishes a specific management procedure through which the organization can monitor the environmental aspects of its activities that may affect the environment, either positively or negatively.

- E4 Biodiversity and ecosystems (IRO-1): the Group has analyzed all its operations to identify IROs. To this end, we have taken into account the context and activity chain analysis, sector benchmarking, consultations with internal managers, and external consultations. In addition, all available information on legal requirements on the subject, sanctions that may have been levied, and claims/complaints from interested parties has been

incorporated. As a result of the evaluation of the IROs, this issue has not been identified as material.

In addition, the Group has an ISO 14001-certified environmental management system, which structures the management of biodiversity and ecosystem-related activities at the Group's different locations.

Acerinox carries out and keeps environmental impact assessments at its production centers in accordance with applicable regulations.

Some of the factories are located in protected areas, but the Environmental Impact Assessments and Permits have identified no significant impacts on these areas.

In addition, some of the factories, such as Columbus Stainless, have a biodiversity management plan that includes actions aimed at protecting native flora and fauna.

Factory	Surface area (hectares)	Protected areas	KBAs
Acerinox Europa SAU	110.85	18	5
Roldán, S.A.	18.55	3	1
Inoxfil, S.A.	3.11	11	2
North American Stainless	400	2	0
Columbus Stainless	400	1	1
Bahru Stainless	151.25	0	1
VDM Metals - Unna	27.4	81	1
VDM Metals - Werdhol	9.473	41	0
VDM Metals - Altena	5.52	58	0
VDM Metals - Siegen	1.4	42	1

KBAs: key biodiversity areas

- S3 Affected communities (IRO-1): the Group has analyzed all its operations to identify IROs. To this end, we have taken into account the context and activity chain analysis, sector benchmarking, consultations with internal managers, and external consultations. In addition, all available information on legal requirements on the subject, sanctions that may have been levied, and claims/ complaints from interested parties has been incorporated. As a result of the evaluation of the IROs, this issue has not been identified as material.

  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. The company's activity represents an opportunity for job creation and local economic development. To this end, it maintains relationships of trust with the communities affected by its activities. It also has a framework for social action to harmonize its activities along five priority lines: socio-economic development, social welfare of people, environmental protection and restoration, commitment to quality education,and inclusive development.

  For more information on how IRO management is integrated into decision-making and internal oversight, see the Sustainability governance section.

  The current material financial effects in 2024 are disclosed in Note 4 of the Consolidated Annual Accounts, which detail the impact of the Acerinox Europa strike, and Note 9 on Investments and Environment.

  Additionally, other current non-material financial effects are included in notes 5.1.3 on the variation of energy prices and renewable energy contracts (PPAs), 5.4 on the estimated investment to implement the Decarbonization Plan and on the Group's sustainable financing lines. No material IROs have been identified for which there is a significant risk of a material adjustment occurring in the next annual reporting period in the Annual Accounts.

  With respect to the anticipated financial impacts, we are using the phase in of Appendix C of ESRS-1.

Stakeholder engagement

SBM-2, SBM-1

Acerinox is aware of the importance of strengthening relationships with stakeholders to create shared value. The stakeholder engagement strategy is based on increasing transparency and effective dialogue to build relationships of trust.

These relationships allow us to understand what is expected of the Group, what issues are most important, and how to collaborate on common challenges. In 2022, the stakeholder management model was approved; this establishes the way in which Acerinox identifies and classifies stakeholders, both from a corporate point of view and in its business units. It also determines the method for identifying their needs and expectations.

Acerinox's main stakeholders are entities and groups that are related to the Company, influencing it with their decisions and opinions even as they are affected or impacted by its activities. These groups, located along the value chain as well as in Acerinox's environment, are as follows:

- Employees: they play a fundamental role in the Company's strategy and operations. It is therefore essential to consider the views and concerns of the workforce when shaping the Group's strategy, mission, and vision. Includes employees and their representatives (unions and work councils).
- Shareholders and investors: all persons or groups that have a financial interest in the Company.

- Customers: companies that purchase and use the products supplied by the Group. Understanding and optimizing for their needs is a fundamental part of business management.
- Suppliers: companies or individuals that provide services or supply raw materials or other material. Includes suppliers of goods and services, intermediaries, consultants, and other business partners of the Group.
- Local communities: places where the Group's facilities are located, including local entities that represent social initiatives, humanitarian goals or collective interests with expectations about the local environment, the environment, infrastructure, and Acerinox's impact on employment and prosperity in the area.
- Public agencies: governmental agencies whose powers include the granting of permits, authorizations, or licenses.
- Civil society: voluntary civic institutions and organizations that seek the common good.

In order to strengthen our relationship with each of these groups, specific subgroups will be determined in accordance with the criteria established in the aforementioned management model, so that the involvement and integration of stakeholders in business decisions responds to their legitimate expectations and their present and future needs.

The company has different listening and dialogue tools for each stakeholder group. The most important relationship channels are listed below:

Stakeholders	Communication channel	Purpose of communication
Employees	• Platform for employee management. • Internal messages via e-mail • Acerinox Insights (internal presentations). • Ideas mailbox	Strengthen corporate culture. Exchange information. Provide a broad vision of the company. Improve collaboration
Shareholders and investors	• Presentation of results - webcasts • Shareholder mailbox • General Shareholders' Meeting • Roadshows • Corporate reporting • Corporate website • Messages via e-mail and phone calls Relevant Information	Promote efficient communication. Promote information transparency. Allow all questions to be answered.
Customers	• Satisfaction survey • Remote channels (telephone, mail, etc.)	Respond to inquiries, questions, complaints, and suggestions received. Increase customer loyalty.
Suppliers	• Supplier portal in the company website • Registration platform • Risk management platform • Specific e-mails	Clearly define requirements. Build strong relationships. Optimize purchasing processes.
Local communities	• Corporate website • Events and meetings • Social networks	Provide accurate information in the area of influence of operations. Maintain a relationship based on trust and mutual respect. Align interests.
Public agencies	• Alliances and collaborations • Administrative procedures	Establish lasting bonds. Align interests.
Civil society	• Media channels • Events and conferences • Social networks	Promote social dialogue Inform and mobilize stakeholders Increase trust and shared value

It should be noted that Acerinox makes a confidential channel available to its stakeholders for reporting possible breaches of compliance.

The Group also publishes information on its activities in order to ensure truthful, transparent, and clear communication:

- Reports and presentations of results, such as the Consolidated Management Report and quarterly results presentations.
- Informative brochures, such as product catalogs and technical brochures.
- The Group's corporate policies, which are publicly available on its website.
- Publications and news on the global and local websites of each of the Group's business units.
- Active presence on social networks such as LinkedIn and YouTube.

Acerinox stakeholders were involved in assessing the results of the IRO identification, as well as in selecting the material topics and subtopics within the framework of the dual materiality analysis conducted in 2024.

Stakeholder dialogue and communication was conducted both through online surveys (questionnaires for employees, customers, suppliers and investors, and voting advisors) and interviews (the format used for dialogue with Company senior managers and directors).

Listening results are reported to the Board of Directors. It was not thought necessary to change this strategy or the business model in 2024.

Sustainability governance

GOV-1, GOV-2, GOV-5, IRO-1

The Acerinox Board of Directors is the body responsible for representing and managing the Company. This body has all the non-delegable powers established by Royal Legislative Decree 1/2010, of July 2, which approves the revised text of the Corporate Enterprises Act, as well as those established in the Regulations of the Board of Directors, including the monitoring and supervision of sustainability management at the Group, including the monitoring and execution of related policies.

In accordance with Article 19 of the Company Bylaws and Article 4.1 of the Regulations of the Board of Directors, the Board of Directors shall be comprised of a number of Directors to be determined by the General Shareholders' Meeting, between a minimum of five and a maximum of fifteen. The General Shareholders' Meeting held on April 11, 2019 set the maximum number of members of the Board of Directors at fourteen. It is currently comprised of 11 Directors (one of whom is an executive). The Secretary of the Board of Directors is not a Director.

- Non-Executive Directors represent a substantial majority compared to the Executive Director (90.91% compared to 9.09%).
- Independent Directors represent 63.63% of the members of the Board.

The selection of candidates takes into account an adequate balance of training, knowledge, experience, age, gender, and background on the Board of Directors as a whole. This enriches decision-making and contributes a variety of viewpoints to the debate on matters which it governs.

Acerinox makes a special effort to seek out candidates who meet the required profile if future vacancies should arise. The current Acerinox Diversity of the Board of Directors and Selection of Directors Policy, approved on December 16, 2021, set the target that by 2022, the number of female Directors should at least 40% of the total. All this has led to a progressive increase in the number of female Directors from 23.08% in 2018 to 36.4% at December 31, 2024, complying with the figure set for eleven-member Boards according to the Annex to Directive (EU) 2022/2381 of the European Parliament and of the Council of November 23, 2022 on improving the gender balance among directors of listed companies and related measures. Among the Independent Board Members, female members represent 57% of the Board.

When new vacancies have arisen, the Appointments, Remuneration and Corporate Governance Committee endeavors to ensure that the candidates include women who meet the desired profile, ensuring a non-discriminatory process with the underrepresented sex.

Pursuant to the appointments and re-elections proposed to the General Shareholders' Meeting in recent years (Ms. Rosa María García Piñeiro, Ms. Laura González Molero and Ms. Marta Martínez Alonso in 2017; Ms. Leticia Iglesias Herraiz in 2020; and Ms. Laura González Molero, Ms. Rosa María García Piñeiro and Ms. Marta Martínez Alonso in 2021), the appointment policy used by the Company demonstrates that not only are there no implicit biases that could imply any discrimination and hinder the election of female Directors, but that the Company has deliberately sought to appoint female Directors who meet the requirements of honorableness, suitability, recognized professional solvency, skill, experience, qualifications, training, availability, and commitment, which are indispensable for the proper performance of their duties.

At the behest of the Appointments, Remuneration and Corporate Governance Committee, the Board of Directors drew up and approved its own skills matrix. This document is made to serve as a mandatory guide for all Board Member selection processes and assignments to specific Committees.

In order to ensure that Directors have the necessary skills to carry out their duties properly, the Appointments, Remuneration and Corporate Governance Committee appointed the members who, in accordance with the current General Board Diversity and Director Selection Policy, meet the requirements of honorableness, suitability, recognized professional solvency, skill, experience, qualifications, training, availability, and commitment to their duties, which are indispensable for the proper performance of their duties.

The members of the Board of Directors bring together a huge range of skills, encompassing industry, sales, investment banking, and finance, as well as specialization in areas such as audit, sustainability, energy and new technologies. It is also common for directors to have previous experience on the boards of other major international companies. The criteria for assigning profiles to each Committee are similar to those of the Board.

Matrix of competencies of the Directors

		1	2	3	4	5	6	7	8	9	10	11
Industry or related industries knowledge and experience	Metallurgy	●		●						●	●	
	Steel industry	●		●						●	●	
	Heavy industry	●		●						●	●	
	General industry	●	●	●				●	●	●	●	●
Business knowledge and experience	Regulation / relationship with regulators	●	●	●		●	●	●		●		●
	Strategy and business development	●	●	●	●	●	●	●	●	●	●	●
	Customer relations	●	●	●			●	●	●		●	●
	International experience	●	●	●		●	●	●	●		●	●
	Capital markets	●		●	●	●	●			●		●
	Distribution		●	●				●	●		●	
	Logistics			●				●			●	
	Raw materials	●		●							●	
	Energy	●						●		●	●	●
Cross-cutting knowledge and experience	Experience on Boards of Directors of listed companies	●	●	●	●	●	●	●	●	●	●	●
	Boards of Directors, other governing bodies of non-listed companies	●	●	●	●	●	●	●	●	●	●	●
	Corporate governance	●	●	●		●	●	●		●	●	●
	Financial			●	●	●	●			●	●	●
	Taxation				●	●	●			●		
	Legal			●		●						
	Human Resources		●	●			●	●		●		
	Accounting				●	●	●			●	●	●
	Senior management and organizational management	●	●	●	●	●	●	●	●	●	●	●
	Audit		●	●	●	●	●				●	●
	Project management			●		●		●	●	●	●	●
	Sustainability and environment	●	●	●		●				●	●	
	Risk management and compliance		●	●		●	●	●		●	●	●
	Comprehensive security	●	●	●				●			●	
	Digital transformation			●		●		●	●		●	
	Communications		●								●	
	Educational institutions		●									●
	Public sector experience					●						
	Languages	●	●	●	●	●	●	●	●		●	●

There are no directors representing employees and other workers.

Sustainability is integrated into Corporate Governance. In this regard, various Company bodies are involved in the establishment, supervision, and management of these issues.

The Board of Directors is responsible for the Company's overall strategy. As part of this, it is responsible for overseeing sustainability-related IROs, approving the setting of targets that contribute to advancing the Group's commitment to the environment, people and society, as well as overseeing the monitoring of progress in this area. Sustainability issues are part of the decision-making process of the Board of Directors, which is regularly updated on the Group's targets and progress in these matters. For more information, see the list of material issues in Appendix 8.5. In addition, in 2024, training was provided to the Board on the contents of the CSRD and the implications at the Board level and on the Group's management and reporting.

The Sustainability Committee is the body in charge of promoting and coordinating the Company's sustainability actions in accordance with the guidelines approved by the Board of Directors, as well as proposing the adoption of any measures related to the aforementioned matters. Its duties also include implementing and monitoring the Group's Sustainability Plan, as well as reporting on this area.

The Sustainability Committee is also responsible for periodically evaluating the Group's Sustainability Policy so that it complies with its mission of promoting the corporate interest and that it considers, as appropriate, the legitimate interests of the remaining stakeholders.

The most significant activities of the Sustainability Committee in 2024 were as follows:

- Monitoring of the targets defined as indicators or KPIs by the Board, the associated action plans, and the resources required to achieve them.
- Monitoring of the Non-Financial Statement.
- Review of ESG indicators for the calculation of senior management bonuses.
- Drafting of a plan to adapt to the Corporate Sustainability Reporting Directive.
- Review of sustainability policies.

The Sustainability Committee maintains direct communication with Sustainability Management, which is responsible for establishing the Group's sustainability commitment and strategy. The Sustainability Department reports, at least quarterly, on the degree of achievement of the established targets and the Company's progress on environmental matters, social impact, health and safety indicators, and aspects related to due diligence according to the initiatives implemented by the Group. This is done prior to the publication of the quarterly external reports.

The Sustainability Director is also a member of the Management Committee. This Committee is responsible for the regular review of the Company's strategy and business and investment plans, integrating sustainability into these decisions. In this way, the Sustainability Department maintains regular and direct communication with the various corporate areas that are also part of Acerinox's sustainability strategy.

The Audit Committee also acts as a supervisory mechanism in sustainability matters as it is responsible for the supervision of financial and non-financial information, as well as the Group's risk management and monitoring, which is reported on a quarterly basis. In order to ensure coordination between the two committees, the Chair of the Audit Committee is also a member of the Sustainability Committee.

Acerinox is also developing a Internal Control System over Sustainability Reporting (ICSSR) to guarantee the accuracy and integrity of the data, the availability of qualitative and quantitative indicators throughout the value chain, and the availability periods for information.

To this end, risks related to the reporting of sustainability information, which are not significant, have been identified in collaboration with the internal data owners, and a comprehensive set of internal monitoring measures will be implemented to ensure its accuracy and reliability.

The methodological approach is aligned with the three lines of defense (COSO) risk model. Key to the model is the establishment of projected roles and responsibilities to ensure and oversee compliance with the ICSSR: Board of Directors, data management and monitoring officers, internal monitoring, internal audit, etc.

The ICSSR Manual establishes the roles and responsibilities in the system's monitoring and control process, as well as regular reporting to the Audit Committee.

Sustainability in the incentive system

GOV-3

The Acerinox Directors' Remuneration Policy states that the CEO's Bonus goals (variable remuneration) are linked to sustainability criteria such as safety at work, GHG emissions, diversity, and recycling. The weighting of these goals in the total computation of the bonus may not be less than 10%.

The Sustainability Committee and the Appointments, Remuneration and Corporate Governance Committee proposed that the weighting of sustainability indicators in the Acerinox Group's Senior Management variable remuneration should increase to 15% of the total by 2024 in the case of the Chief Executive Officer, the Chief Corporate Officer, the General Secretary and the Deputy Secretary General, and maintain a 10% weighting for the other members of Senior Management.

The ESG indicators used to calculate the Senior Management variable remuneration for 2024 are as follows:

a. 26% annual reduction in Total Incidents Recorded (TIR) for the Group compared with 2023, with a weighting of 50%.

b. 1.54% reduction in the Group's greenhouse gas emissions (Scope 1 and 2) compared to 2023, with a weighting of 16.6%.

c. 4.01% increase in the Group's waste recycling ratio compared to 2023 levels, with a weighting of 16.6%.

d. 0.25% increase in the number of women in the Group's workforce compared to 2023 levels, with a weighting of 16.6%.

For the CEOs of the various business units, the sustainability index is defined in the aforementioned manner, albeit with reference to the specific targets of the companies for which they are responsible.

At the beginning of FY 2025, the Sustainability Committee and the Appointments, Remuneration and Corporate Governance Committee reviewed compliance with ESG targets, which reached 59%.

The ESG indicators for calculating Senior Management bonuses are reviewed annually by the Sustainability Committee and the Appointments, Remuneration and Corporate Governance Committee, and subsequently by the Acerinox Board of Directors.

Due diligence

GOV-4

The due diligence approach aims to reduce the probability and exposure of the Group to risks and impacts and to seize opportunities that impact sustainable value creation. The Group takes on and promotes a series of principles that must govern its actions:

a) To understand due diligence as a continuous, dynamic process to identify and manage risks and adverse human rights and environmental impacts related to the Group's business activity and its partners in the business chain.

b) To address issues with suitable measures proportional to the severity and likelihood of the actual or potential risks and adverse effects.

c) To integrate due diligence into management systems and procedures, promoting alignment between the different internal departments.

d) To repair any actual adverse effects caused by the Company or its subsidiaries through the implementation of remediation measures proportional to the Group's degree of involvement in producing the adverse impact.

e) Collaborate with partners in the business chain to improve the effectiveness of implemented preventive or corrective action plans.

f) Establish free, accessible, and non-retaliatory complaint, participation, and consultation mechanisms for stakeholders to communicate and participate in the management of adverse effects.

g) Disclose and publicly report information on due diligence processes and measures taken to identify and manage actual or potential adverse effects, including findings and outcomes.

These principles will be taken into account in the management of IROs. They were incorporated in the development of the new Sustainability Due Diligence Policy, which was approved at the beginning of 2025; a project to establish and implement the due diligence model is now underway. This model integrates the company's existing management practices in this area. Some of the included sources of information (ethics channel, customer complaints, stakeholder consultations, etc.) have already been considered in the dual materiality analysis to identify material IROs.

Parameters and targets

The Group's commitment to sustainability, 360° Positive Impact, responds to one of the four key areas in which Acerinox's strategy is structured.

Positive Impact 360° is deployed using five pillars, which are aligned with the results of the materiality analysis, ESG risks and the Group's strategy. The commitment identifies the levers of value generation and establishes long-term objectives to make them a reality.

This Plan includes the sustainability targets as a company with a 2030 horizon. These targets were revised in 2024, updating the carbon emissions reduction target, aiming for compatibility with the goal of limiting global warming to 1.5°C and based on science (SBTi); the water consumption intensity target was also revised, focusing on improving the intensity of the blue water footprint. Detailed information is included in the corresponding chapters of this report.

Our targets for 2030

45.28% reduction of CO_2 Scopes 1 and 2 emissions compared to 2021 (intensity and absolute value)

15% reduction of CO_2 emissions (Scope 3) compared to 2021

7.5% reduction in energy intensity compared to 2015

3% annual reduction in the intensity of the blue water footprint

90% recycled waste

10% annual reduction in LTIFR

15% women in staff

These targets are monitored monthly by the sustainability managers at each factory and later reviewed by the corporate sustainability team. Likewise, changes are assessed on a quarterly basis by the Sustainability Committee, which subsequently reports to the Board of Directors. In each case, the necessary measures are taken.

The annual variable remuneration of the Group's main senior managers is linked to the achievement of these targets, which are being deployed in the different organizational areas. The specific objectives included in variable remuneration for 2024, in line with the 2030 Group roadmap, are as follows:

		Variable remuneration targets		
Pillar	2030 targets	2024 vs 2023	Real 2024	Real 2024 vs 2023
	20% reduction in Scopes 1 and 2 CO_2 emissions compared to 2015*	-1.54%	1.067 tCO_2/metric ton of steel produced	-2.21%
	90% waste recycled	+4.01%	82.29%	+3,20%
	26% annual reduction in TIR	-26%	19.21	-8%
	15% women at the organization	0.25%**	13.4%	+0.11%

*This target was initially set for the Stainless Steel Division, but was extended to the entire Group in 2024.
**Increase in the percentage of women on staff compared to the previous year, excluding the Haynes staff as it was not part of the scope when the targets were defined.

The targets linked to variable remuneration for 2025, in line with the target's review carried out and compatible with the 2030 Group roadmap, are as follows:

Pillar	2030 targets	2025 target	Target 2025 vs 2024
	45.3% reduction in Scopes 1 and 2 CO_2 emissions intensity compared to 2021	0.993 tCO_2/metric ton of steel produced (Scope 1+2)	-6.81%
	3% reduction in blue water footprint intensity	1.62 m^3/metric ton of steel	-3%
	90% waste recycled	84%	+2.1%
	10% annual reduction in LTIFR	3.2	-10%
	15% women on staff*	13.66%	+0.27*

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

7.2 Environmental information

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 and define a common classification system. To achieve this, a common language and a definition of what a sustainable investment is are needed.

In June 2020, Regulation (EU) 2020/852 was approved, establishing the criteria for determining whether or not an investment can be classified as sustainable. The aforementioned European Regulation establishes six environmental objectives:

1. Climate change mitigation.
2. Climate change adaptation.
3. Sustainable use and protection of water and marine resources.
4. Transition to a circular economy.
5. Pollution prevention and control.
6. Protection and restoration of biodiversity and ecosystems.

Subsequently, the European Union adopted other delegated acts and communications that complement the Regulation and assist in its interpretation. In addition to setting out the technical criteria for substantial contributions to each objective, these determine whether an economic activity causes significant harm to the other environmental objectives and establish minimum social safeguards.

In accordance with the Regulation, non-financial companies must report on the proportion of their revenue, CAPEX and OPEX associated with sustainable activities to determine whether they comply with the taxonomy regulation.

Acerinox is a specialist in the manufacture, distribution and marketing of stainless steel and high-performance alloys with a presence on five continents.

At 2024 year-end, the Group's production network consisted of 15 factories. These include five stainless steel factories: three integrated factories (Acerinox Europa, NAS and Columbus Stainless; the Bahru Stainless plant was sold during the year) and two long product factories (Roldán and Inoxfil). Acerinox also had seven other high-performance alloys factories distributed across the US and Germany, owned by VDM. At the end of the year, the Group acquired Haynes International, also dedicated to the manufacture of high-performance alloys, and which owns three factories in the US.

The integrated production process consists of three stages: melting, hot rolling and cold rolling.

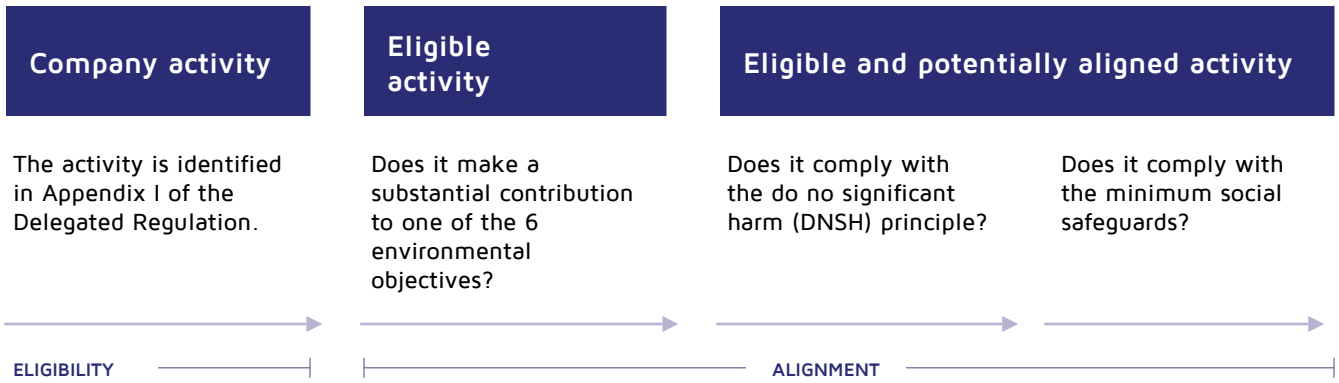
During the melting process, raw materials (scrap, ferro-alloys and other elements) are melted down to make stainless steel. First, the product is melted in electric arc furnaces, reaching temperatures of 1,600 degrees Celsius. Once melted, it is transferred to the A.O.D. converter, where the steel decarburization and refining operations take place. The resulting material is transferred using a ladle to the continuous casting machine, where the slag is removed and the product is refined.

In the subsequent hot rolling stage, the thickness or diameter is reduced, taking advantage of the higher ductility of the material at high temperatures.

In the hot rolling mill, the slabs are heated in a walking beam furnace, then pass successively through a roughing mill and a finishing mill, with entry and exit furnaces. Later, steam jets are used to descale and clean the surface. The resulting range of products is finally passed to a coiler that winds them, creating coils.

In the last stage, cold rolling, the material is subjected to heat treatment, then undergoes a mechanical and chemical process to remove surface oxidation.

Acerinox conducted a comprehensive analysis to assess which of the Group's activities may be eligible and aligned under the six objectives of the taxonomy. These potentially eligible activities were then cross-referenced with the definitions in the taxonomy to identify eligible initiatives.



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.

Eligibility

The Group has identified potentially eligible economic activities for these environmental objectives.

- **Climate change mitigation:** manufacture of basic iron and steel and ferro-alloys.
- **Climate change adaptation:** manufacture of basic iron and steel and ferro-alloys; flood risk prevention and protection infrastructure.
- **Transition to a circular economy:** valorization of hazardous and non-hazardous waste materials, renovation of existing buildings and preparation to reuse products and product components at the ends of their useful lives.

Acerinox also carries out other cross-cutting activities related to its core business that also fall under the objective of climate change mitigation.

Once potentially eligible activities have been identified, the activities included on the taxonomy list are reviewed. Specifically, this involves those included in the Climate Delegated Act (mitigation and adaptation) and in the Delegated Act for the other objectives (water and marine resources, circular economy, pollution prevention, and biodiversity).

For this purpose, the precise definition of the activities carried out is reviewed, as well as their correspondence with the statistical classification of economic activities as set out in Regulation (EC) No 1893/2006 (NACE codes*). The activities carried out by Acerinox are included in Group C. Manufacturing industry, subgroup 24. Metallurgy: manufacture of iron and steel and of ferro-alloys.

Activities falling under NACE subgroups C24.10, C24.20, C24.31, C24.32, C24.33, C24.34, C24.51 and C24.52 qualify as transitional (eligible) activities under article 10(2) of Regulation (EU) 2020/852 when they meet the technical eligibility criteria.

For each Group company, the applicable NACE code was identified and compared with the previous codes. An exhaustive analysis of the activities of each company was also carried out, verifying that these activities comply with the definition provided by the European taxonomy.

According to this analysis, the following activities may be considered eligible: infrastructures for prevention and protection against related flood risks, valorization of hazardous and non-hazardous waste materials, renovation of existing buildings and preparation to reuse products and product components at the ends of their useful lives. However, given the nature of the stainless steel production, which includes both upstream and downstream processes, these activities fall within the production process and are therefore grouped under the climate change mitigation objective.

In this regard, the company is working on improving the information's granularity level in order to assess whether there are significant adaptation measures to be calculated as part of economic activities linked to the adaptation target.

In the next three years, Acerinox expects to have more detailed CAPEX and OPEX information related to the remaining climate targets.

In conclusion, 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	Manufacture of iron and steel	Manufacture of basic iron and steel and ferro-alloys.	Climate change mitigation	YES

This eligible activity does not include the production of high-performance alloys nor stainless steel long products.

Alignment

The activity, in addition to being eligible, must demonstrate that it meets the requirements of Article 3 of the Regulation:

- Substantial contribution to one or more of the six EU environmental objectives.
- It does not cause significant detriment to the other environmental objectives (Do No Significant Harm, DNSH).
- Compliance with minimum social safeguards.

Substantial contribution

In relation to the climate change mitigation objective, appendices I and II of the Delegated Climate Regulation establish the technical criteria for substantial contribution.

In particular, paragraph 3.9 establishes as a substantial contribution the production of steel in electric arc furnaces (EAF) producing EAF carbon steel or EAF high alloy steel as defined in Commission Delegated Regulation (EU) 2019/331 and where the steel scrap input relative to production output is:

- 70% for the production of high alloy steel.
- 90% for the production of carbon steel.

Some Group companies were not aligned in this analysis, as they are part of the production chain but do not have EAFs in their facilities; therefore, the significant contribution criterion could not be measured. The companies at which the substantial contribution criterion of fine steel production can be measured are Acerinox Europa, NAS and Columbus Stainless.

Therefore, in order for these companies' activity to be considered aligned, 70% of stainless steel production must come from scrap. The percentage used at each of the identified companies was calculated; all three companies exceed the established threshold, reaching scrap usage ratios of nearly 90% in some products.

Following the analysis of the substantial contribution criteria for the different eligible activities, the compliance of these activities with the do no significant harm (DNSH) principle, explained below, has been assessed.

Compliance with the principle of do no significant harm (DNSH)

Compliance with the conditions set out to do no significant harm to the other environmental objectives for each of the companies identified was then verified.

Climate change adaptation

The Group conducted an analysis of physical and transitional climate risks in the medium and long term (2030 and 2050) with the help of an external consultant. Physical risks were assessed using IPCC (Intergovernmental Panel on Climate Change) climate projections, namely the SSP 1-2.6 (RCP2.6) and SSP 5-8.5 (RCP8.5) scenarios for each of the company facilities identified.

The analysis showed significant risks related to water stress at some facilities; the Group quantified the financial impacts of the relevant risks there and established climate change adaptation plans. As a result of this assessment, the Company implemented adaptation measures to mitigate the impact of the Group's most significant risks. In relation to the risk of flooding, the main equipment was raised to protect it, and containment and drainage measures were established to channel the water. In relation to the risk of water stress and drought, water consumption efficiency measures have been implemented, and investments have been made in treatment and recovery plants. For the Acerinox Group, which includes the companies under analysis, a water withdrawal reduction target was set.

Regarding the risk associated with the development of mechanisms and taxes on carbon emissions, energy efficiency and emissions reduction measures were implemented. Actions were also taken to increase the consumption of renewable electricity. In addition, studies were carried out on the replacement of natural gas consumption with low-carbon fuels (hydrogen and biomethane) and carbon capture, storage and use projects were analyzed. A carbon intensity reduction target was set for the Group.

In addition, a new Decarbonization Plan 2025-2030 and a more ambitious carbon emissions reduction target for 2030 have been approved. For more information, see the Climate Change chapter.

The climate risk analysis will be updated in 2025, incorporating risks related to the value chain, and a climate change adaptation plan will be developed based on the results obtained.

Sustainable use and protection of water and marine resources

Acerinox Europa, Columbus Stainless, and NAS have an integrated environmental authorization and all other legally required permits regarding water pollution prevention, and groundwater and surface water extraction and use. At facilities located in water-stressed areas, improvement actions were set out within the framework of the environmental management objectives.

The Water and Marine Resources section provides further information on these matters. Appendix 8.2 NFIS supplementary information includes detailed information on water withdrawal and discharge in areas with and without water stress.

Environmental impact assessments were also carried out at the facilities without identifying any risk of environmental degradation to bodies of water. The water footprint of each Group company was analyzed. For facilities that discharge water into rivers, such as NAS, the gray water footprint has been calculated to estimate the degree of pollution associated with a process. It was concluded that the concentration of contaminants at the NAS facilities was less than 1,000 mg/l.

In addition, it was evaluated whether the activity of aligned companies has a negative or hindering impact on seawater. Acerinox Europa is the only company that discharges water into the sea. It discharges into the Bay of Algeciras by means of a general collector managed by the Major Industries Association of Campo de Gibraltar. This discharge is subject to regular analysis in accordance with the Plan for the Monitoring and Control of the Receiving Environment for Discharges into the Bay of Algeciras.

In the case of Columbus Stainless, given that it is located in a water-stressed area, a zero-effluent discharge operation is used.

Finally, NAS has strict measures in place to prevent, avoid and act in the event of spills or discharges resulting from the storage of other substances. The facility has neutralization plants to treat acidic and basic waters, as well as emergency berms to prevent spills into the outside environment and other safety apparatus to eliminate possible spills. The tanks are equipped with a permanent secondary containment mechanism, as well as cleaning and emergency shutdown services. The final effluent water is discharged back into the Ohio River in equal or better condition than it was withdrawn, thus avoiding any possible environmental impact.

Transition to a circular economy

In accordance with the specifications established in the European Taxonomy, the iron and steel manufacturing activity has no impact on this objective. Therefore, no additional disclosure is required in connection with the DNSH principle.

Pollution prevention and control

The Group complies with the emission and discharge limits established in the Best Available Techniques (BAT), as well as with the applicable regulations regarding the presence of hazardous substances in products.

Each year, the facilities of Acerinox Europa, Columbus Stainless, and NAS conduct an assessment of their compliance with environmental legal requirements under the ISO 14001 standard. This standard establishes a specific management procedure through which the organization can monitor the environmental aspects of its activities that may affect the environment, either positively or negatively.

Likewise, internal and external ISO 14001 certification audits regularly include compliance evaluations for the aforementioned requirements.

At Acerinox Europa, the Regional Government of Andalusia's technical services team carries out regular legal compliance evaluations as part of their monitoring program for certain facilities.

Likewise, an exhaustive analysis was performed on the products used by the Group in their manufacturing and sale processes, in accordance with the specifications established in the taxonomy regulations.

It concluded that none of the Acerinox Europa, Columbus Stainless or NAS facilities manufacture or market organic compounds, substances, or mixtures that contain them, nor any substances listed in Article 57 of the REACH Regulation or mercury-added products. Companies take measures to avoid the use of metallic material containing mercury, using the applicable industry BAT. Purchase contracts with suppliers also specify the requirements that the scrap must meet.

The facilities only use authorized substances with ozone-depleting potential in auxiliary operations, as part of the refrigeration equipment, and in accordance with the operating, maintenance and waste management requirements established in national standards.

Stainless steel does not contain elements or substances covered by Directive 2011/65 in quantities exceeding the values indicated in Appendix II, as attested by the Acerinox Europa, Columbus, and NAS Declaration of Restriction of certain Hazardous Substances (RoHS) in electrical and electronic equipment.

Protection and restoration of biodiversity and ecosystems

Acerinox carries out and keeps environmental impact assessments at its production centers in accordance with applicable regulations.

The Acerinox Europa factory is located near several protected areas of the Natura 2000 network (Estrecho, Los Alcornocales, Marismas del Río Palmones). The

Environmental Impact Study and the Integrated Environmental Authorization did not identify any significant impacts in these areas.

The Columbus Stainless mill is located near the Vaalbank Private Nature Reserve. Its industrial activity does not negatively affect this protected area. Nevertheless, the Columbus Stainless Biodiversity Management Plan provides for actions aimed at protecting the native flora and fauna. In partnership with a local landscaping contractor, it also actively monitors native plant species to avoid possibly altering the local ecosystem.

The NAS factory is located near the Splinter Ridge and Switzerland Hills Fee protected areas, which see no significant negative impacts from its industrial activities.

Factory	Surface area (hectares)	Protected areas	KBAs
Acerinox Europa	110.85	18	5
North American Stainless	400	2	0
Columbus Stainless	400	1	1

KBAs: key biodiversity areas

Compliance with minimum social safeguards

Acerinox complies with minimum social safeguards in terms of human rights, corruption and bribery, fair competition, and taxation.

The Group's global human rights policy,available on its website and updated in early 2025, sets out Acerinox's commitments regarding the management of human rights, 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 by the ILO (International Labor Organization), and the Guiding Principles on Business and Human Rights of the United Nations.

Acerinox continues to work on developing a human rights due diligence process by identifying, preventing and mitigating current and potential negative impacts on human rights arising from own, Group, and value-chain activities. In addition, in 2024, the new Sustainability Due Diligence Policy was developed. It was approved in early 2025, and a project is underway to establish and implement the due diligence model.

No human rights violation reports were received in 2024. For more information, see chapter on General disclosures, specifically the due diligence model, workforce and business conduct sections.

The Group extends its commitment to sustainability to the entire value chain. Acerinox has a responsible procurement policy, available on the company website, that outlines general principles for purchasing goods and services (including economic, competitive, social, and environmental aspects), and simultaneously defines the objectives and core action framework rolled out in all its companies.

Acerinox has also established a code of conduct for business partners was established, which defines its principles and requirements with respect to suppliers of goods and services, and vis-à-vis intermediaries and advisors. The aforementioned code is an essential requirement for any contractual relationship with Acerinox. The principles and requirements included are based on the Group's code of conduct and good practices, general contracting conditions, general purchasing policy, and other Company corporate policies. In addition, they are aligned with the 10 Principles of the Global Compact, ILO, etc.

The new Group purchasing strategy 2023-2027 is based on three pillars, one of which is specifically related to compliance with ESG standards and the management of risks inherent in the supply chain. This detailed information is available in the "Workers in the value chain" chapter.

Relatedly, the Group's crime prevention program is aimed at eliminating the risk of committing criminal acts, especially those that entail criminal liability for the legal entity, including risks related to corruption and bribery, competition, and so on. This program includes several phases: updating of protocols and monitoring, self-assessment of monitoring, evaluation and certification, and the action and training plan.

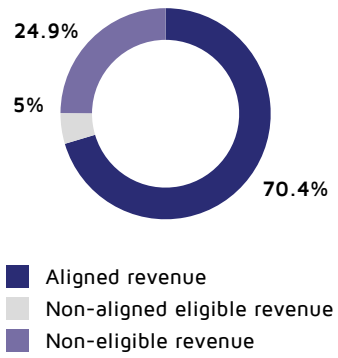
In 2024, Acerinox's crime prevention program was certified under the UNE 19601 standard for criminal compliance management systems. For more information, see chapter on Business Conduct, specifically the crime prevention program section.

As a sign of its commitment to best practices in tax matters, Acerinox is a signatory to the Code of Good Tax Practices, actively participates in the Tax Forum of Large Companies and has voluntarily submitted, for the third consecutive year, a tax transparency report to the Spanish Tax Authority.

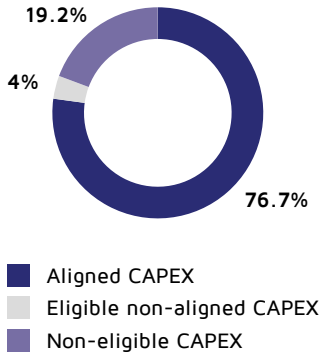
As a result of this commitment, the Group has received the highest classification of the Haz Foundation's T for Transparency seal for responsible taxation and good governance, moving up this year from the 1-star category to the 3-star one.

This report includes details of the tax contribution in the countries where it operates, as well as the general tax policy. For further information, please refer to the section on responsible taxation and Appendix 8.2 NFIS supplementary information.

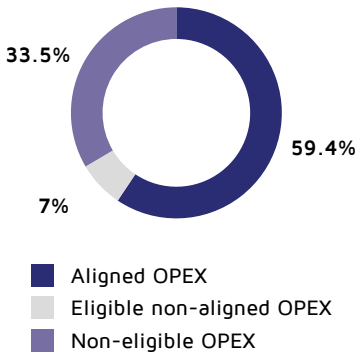
Revenue



CAPEX



OPEX



Appendix 8.3 Taxonomy-related information includes details on the calculation of financial indicators and ratios related to revenue, CAPEX and OPEX.

Climate Change (ESRS E1)

Governance

Integration of sustainability-related performance in incentive schemes

GOV-3

Acerinox has sustainability targets linked to environmental, social and corporate governance performance, as set out in its Sustainability Master Plan and based on international standards such as the Paris Agreement and the Sustainable Development Goals (SDGs), among others. In addition, the variable remuneration of the members of the Management Committee, including the CEO, is linked to the achievement of certain sustainability targets.

One of these targets, the reduction of CO_2 emissions, is related to GHG emissions due to the Group's business model. Positive impacts on GHG Reduction are due to the implementation of measures to mitigate climate change; this comes with the risk of Loss of market share due to non-compliance with CO_2 rates, Increase in costs due to non-compliance with CO_2e rates and Increase in costs (CAPEX and OPEX) to meet emissions reduction targets.

Until 2023, the CO_2 emissions intensity target (Scope 1 and 2) was linked to remuneration at the Stainless Steel Division. In accordance with the Sustainability Master Plan, the Company committed to reduce by 20% the intensity of Scope 1 and 2 CO_2 emissions by 2030, reaching a ratio of 0.95 tCO_2/metric ton compared to the 2015 value (1.20 tCO_2/metric ton). Taking into account the 2023 ratio (1.07 tCO_2/metric ton) and the 2030 target (0.95 tCO_2/metric ton), the annual Scope 1 and 2 emissions reduction pathway has been set on a linear basis of 1.54% between 2023 and 2030.

In 2024, the reduction target for Scope 1 and 2 CO_2 emissions intensity was extended to the entire Group, including the High-Performance Alloys Division. To this end, a reduction in the emissions intensity ratio of 1.54% with respect to 2023 was applied. Considering that the Group's intensity ratio was 1.088 tCO_2/metric ton in 2023, the target for 2024 was 1.07 tCO_2/metric ton.

The 2024 target was set in January 2024 taking into account the current scope at that time, i.e. including Bahru Stainless (Haynes International was not part of the Group). Acerinox did not re-set the sustainability targets linked to remuneration, as these are approved in January by the Appointments, Remuneration and Corporate Governance Committee, and are annual in nature. The 2025 target will take into account changes in the scope.

The annual variable remuneration bonus is determined based on the achievement of financial and non-financial targets, such as those related to sustainability and climate change. In 2024, 15% of the CEO's bonus and 10-15% of the bonuses of the other members of Senior Management were linked to ESG targets. The CO_2 emissions intensity reduction target accounts for 16.6% of the ESG targets. In 2024, the target related to climate change reached 100% compliance, entailing a weighting between 1.66% and 2.49% of senior management's remuneration:

Pillar	2024 targets	Real 2023	Real 2024	2024 vs 2023
Eco-efficiency and climate change mitigation	Reduction in CO_2 emissions intensity (Scopes 1 and 2)	1.09	1.07	-2.26%

The CO_2 emissions intensity ratio (Scope 1 and 2) is calculated by dividing the estimated Scope 1 and 2 emissions from the 2024 GHG Inventory by the total metric tons produced. The perimeter includes Acerinox Europa, NAS, Columbus Stainless, Bahru Stainless, VDM Metals, Roldán, and Inoxfil.

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 2024 target was met as the ratio was 1.044, below the target of 1.075 tCO2eq/metric ton of production.

Strategy

Transition plan for climate change mitigation

E1-1

In 2020, Acerinox committed to decarbonizing its activity by implementing its Sustainability Master Plan Positive Impact 360°. One of its pillars is eco-efficiency and climate change mitigation. The Master Plan set the target of a 20% reduction in GHG emissions intensity (Scope 1 and 2) by 2030, using 2015 as the base year for the Stainless Steel Division. This was extended to the entire Group in 2024.

Among the initiatives implemented by the Group's entities to fulfill this commitment are the improvement of energy efficiency, the promotion of heat recovery systems, the electrification of systems and vehicle fleets, and the increased use of renewable energies.

In 2024, it took a further step in the transition to climate change mitigation with the creation of a Decarbonization Plan through 2030 that integrates existing and new initiatives to drive the decarbonization of operations and the value chain. It also integrates the decarbonization initiatives included in the new Beyond Excellence 2024-2026 efficiency plan, approved by the Board of Directors in 2023. The 2025-2030 Decarbonization Plan has the following pillars:

- Improvement of energy efficiency: the adoption of new technologies or machinery that allow better management of process times and more efficient management of consumption.
- Promotion of heat recovery systems from process sources: installation of recovery systems that optimize processes and allow the reuse of the heat generated at the exit of furnaces or boilers. The aim is to increase the efficiency of the recovery process and generate more steam, thus avoiding its production in gas boilers.
- Electrification of systems: replacement of machinery or boilers that use fossil fuels with others that use electricity (e.g. heat pumps).
- Electrification of the vehicle fleet: replacement of the fossil fuel fleet (company cars, vans, forklifts, etc.) with electric vehicles.
- Increased use of renewable energies and, in particular, renewable electricity: signing of green energy purchase contracts with guarantee of origin (GoO), purchase of renewable energy certificates and installation of solar panels for self-supply.
- Use of low-carbon alternative fuels: use of alternative fuels in the production process (e.g. hydrogen/natural gas mix in boilers, use of biomethane, etc.).
- Increased use of scrap: installation or expansion of scrap recovery plants, improved segregation and use of scrap.
- Increased use of low-carbon raw materials or ferroalloys: prioritization of suppliers and purchase of low-carbon raw materials or ferroalloys.
- Others.

The Decarbonization Plan has a bottom-up approach, as it is designed in collaboration with each factory's technical teams and CEOs in alignment with the factory's strategy. It is also aligned with Beyond Excellence 2024-2026, the Group's strategic plan to drive competitiveness across the board.

CDP Discloser 2024

Acerinox has once again earned a **B rating** from the Carbon Disclosure Project (CDP) for its contribution to climate change mitigation

The Decarbonization Plan does not include climate change adaptation measures. The climate risk analysis will be updated in 2025, and an adaptation plan will be developed based on the results achieved.

The Plan and the proposed emissions reduction targets for each of the factories and at the Group level were presented to the CEOs of the factories and the Group's Chief Executive Officer. They were subsequently approved by the Board of Directors, at the proposal of the Sustainability Committee, in January 2025. The targets will be monitored regularly after approval. At least quarterly, the Sustainability Director reports to the Sustainability Committee on target evaluation.

The Decarbonization Plan sets more ambitious Scopes 1 and 2 emissions reduction targets, with the aim of being compatible with limiting global warming to 1.5°C and aligned with science-based targets (SBTi): Acerinox must reduce Scope 1 and 2 emissions by 45.28% by 2030 compared to 2021. It also sets a Scope 3 emissions reduction target of 15% for the same year. Acerinox is not excluded from the EU benchmarks harmonized with the Paris Agreement. Section E1-3 describes the plan's

decarbonization levers and quantitative contributions to meet the described targets.

To prepare this, emissions avoided if these initiatives were implemented in each of the years were quantified. The analysis estimated that some emissions could not be eliminated with current technologies. For this reason, the best available technologies are taken into account to advance with decarbonization, and the purchase of carbon credits to compensate for emissions not avoided will be assessed.

However, the Decarbonization Plan has adopted a conservative approach, and only technologies available today have been taken into account in the emissions reduction estimates. This mitigates the potential risk of not meeting the approved emissions reduction targets.

Prior to the approval of the 2025-2030 Decarbonization Plan, during 2024, the OPEX allocated by the Group to decarbonization was EUR 28,127,871 (95% associated to Taxonomy activities), of which 1% corresponds to energy efficiency and 99% to all other decarbonization levers. CAPEX totaled EUR 2,038,078 (49% associated to Taxonomy activities), of which 69% corresponds to energy efficiency and 31% to all other decarbonization levers (Note 9). Property, plant and equipment - Environment in the Consolidated Annual Accounts).

The 2025-2030 Decarbonization Plan requires an estimated annual investment of EUR 817,500 in CAPEX and EUR 1,711,315 in OPEX. For more information, see section E1-3.

Like all Acerinox's activities, the Plan is aligned with the Taxonomy, as described in the section "European Taxonomy on Sustainable Finance." However, some Group companies do not comply with the Taxonomy due to the work they do or their operating characteristics. Therefore, taxonomic CAPEX and OPEX are applied to Acerinox Europa, NAS, and Columbus Stainless. In 2024, the key performance indicators (CAPEX and OPEX) established in Commission Delegated Regulation (EU) 2021/2178 were EUR 164.512.879 and EUR 57.235.954, respectively.

The Decarbonization Plan does not identify initiatives to adapt economic activities to the Taxonomy.

The Group is excluded from reporting CAPEX related to coal, oil, and gas, as they have no related economic activities.

Material impacts, risks and opportunities and their interaction with strategy and business model

SBM-3

In the dual materiality analysis, all sustainability aspects with significant relevance for the Group were identified and evaluated. Included in the 2024 list of material impacts, risks and opportunities are those related to climate for the Company's own operations. For more information on the materiality process, see the Result of the dual materiality analysis section in the 7.1 General disclosures chapter.

The following table shows climate-related impacts, risks, and opportunities and their categorization as physical or transitional climate risks, according to the Task Force on Climate-Related Financial Disclosures (TCFD) methodology. The IPCC scenarios for physical risks were taken into account in the climate risk analysis. For transition risks, the International Energy Agency's Stated Policies Scenario (STEPS) and Sustainable Development Scenario (SDS) scenarios were evaluated.

Acerinox manages significant IROs associated with climate change mitigation and adaptation at all levels of the organization. For example, in the Sustainability Master Plan, which sets targets for the most significant climate-related IROs: energy, emissions and water use.

With respect to the last point, the Group has calculated its water footprint and is currently working on various projects to improve the efficiency of its water consumption.

Double materiality analysis		Climate risk analysis	
IRO	**Description**	**Type of risk/ opportunity**	**Description**
Negative impact	High energy consumption in factories due to the company's business model.	Transition - Market	Energy efficiency
Positive impact	Use of efficient equipment and heat recovery in furnaces in factories	Transition - Market	Energy efficiency
Negative impact	Greenhouse gas emissions due to the company's business model.	Transition - Legal	Carbon mechanisms and carbon taxes
Positive impact	Reduction of greenhouse gases due to the implementation of measures to mitigate climate change.	Transition - Mercado	Energy efficiency Use of renewable or low carbon energy
Positive impact	Implementation of systems and measures for the minimization and reuse of water resources in all factories (including sanitation, rainwater, groundwater, seawater, etc.).	Physical - Chronic	Water stress and drought
Risk	Increase in energy costs due to the geopolitical situation.	Transition - Market	Transition to low carbon technologies
Risk	Increase in energy costs due to Acerinox's high energy consumption due to its business model.	Transition - Market	Transition to low carbon technologies
Opportunity	Reputational improvement due to the contracting of energy with a guarantee of renewable origin (PPAs and GoOs)	Transition - Market	Use of renewable or low carbon energy
Risk	Increase in costs derived from the purchase of electricity due to poor implementation of energy efficiency measures.	Transition - Market	Energy efficiency Transition to low carbon technologies
Opportunity	Cost reduction due to the implementation of measures such as heat recovery.	Transition - Market	Energy efficiency
Risk	Loss of market share due to non-compliance with CO_2 rates.	Transition - Market	Changes in consumer preferences
Risk	Increase in costs due to non-compliance with CO_2 rates.	Transition - Legal	Carbon mechanisms and carbon taxes More demanding environmental regulation
Risk	Increase in costs (CAPEX and OPEX) to meet emission reduction targets.	Transition - Market	Transition to low carbon technologies
Risk	Production stoppages have occurred due to water consumption limitations in areas of high water stress, such as Columbus (South Africa) and Algeciras (Spain).	Physical - Chronic	Water stress and drought

In the process of reviewing and updating the decarbonization plan, no significant changes were identified in the business model or in the company's assets, demonstrating the company's resilience to climate change.

Incident, risk, and opportunity management

Description of the processes to identify and assess material climate-related IROs

E1 IRO-1

The Group's climate change management model identifies and assesses the impacts of our operations on climate change following TCFD recommendations. The Greenhouse Gas (GHG) emissions inventory, conducted annually, uses methods consistent with internationally recognized standards. The carbon footprint is certified by an external verifier.

In 2024, Acerinox reviewed its activities to determine future sources of GHG emissions. In addition to calculating the carbon footprint of the factories, an estimate was made for the service centers, warehouses and sales offices. The results concluded that these emissions are not significant, as they account for less than 2.5% of the total emissions.

Scope 3 categories not previously included in the GHG inventory were also estimated, and those that were material were reported.

In 2024, the Group's total GHG emissions (Scopes 1, 2 and 3) were 6,376,035 metric tons of CO_2 equivalent, 13% higher than the previous year carbon footprint, mainly as a result of the increase of emissions associated with the acquisition of materials and ferroalloys and the consideration of new reporting categories.

Corporate risk analysis analyzes short-term climate risks. The time horizon refers to the period adopted by the company as the reference period in its financial statements. The medium-term horizon (2030) is aligned with the term of the Sustainability Master Plan and its targets, while the long-term horizon (2050) is linked to the climate neutrality targets set by the most ambitious geographical area (European Union).

Climate change impacts were identified and assessed according to the methodology described in ESRS 2 SBM-3 on climate change.

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 Acerinox's structure and business model, at the end of this year (short term), no material impacts related to climate change have been identified; accordingly, it is considered that there is no material impact of climate change risk that should be considered in future estimates for the calculation of cash flows.

In the medium and long term, climate risk analysis using different scenarios helped us to better understand our risks and make better decisions.

In 2025, the climate risk analysis will be updated, incorporating risks related to the value chain; Haynes International will also be included.

Physical risks

Two scenarios were selected from the Intergovernmental Panel on Climate Change (IPCC):

- SSP5-RCP 8.5: High emissions scenario, with a business-as-usual perspective. It forecasts that carbon dioxide emissions levels will triple by 2075, with global temperatures rising by 4.4°C.
- SSP 1-RCP 2.6: Low emissions scenario aligned with the Paris Agreement, in line with achieving net zero emissions by 2050. It forecasts global temperatures to rise and stabilize at 1.8° Celsius by the end of the century.

The difference in global emissions between RCP 8.5 and RCP 2.6 represents the implementation gap to reach the Paris Agreement's target of below 2°C.

The analysis was carried out at all the Group's factories. Site-specific climate data is extracted from each plant location for each individual climate hazard included in the CRISP platform. The analysis took into account the climate-related risks identified in the CSRD. The nine most relevant are detailed below:

- Extreme heat.
- Extreme cold.
- River flooding.
- Flooding due to extreme precipitation.
- Coastal flooding.
- Tropical cyclones.
- Wildfires.
- Rainfall-induced landslides.
- Water stress and drought.

The CRISP global climate database includes different databases from various leading climate data providers across the world (ISIMIP 3b Protocol CMIP6 historical & projections models, World Resources Institute, Aqueduct Water Risk Atlas, World Resources Institute, Aqueduct Floods, Fathom, International Best Track Archive for Climate Stewardship, American Meteorological Society, NASA's Landslide Susceptibility Map, and the European Space Agency).

For each hazard, the platform contains a global climate indicator for the starting point and future time horizons (medium and long term).

Most physical risks take into account the duration of the risk to determine the level of criticality. The results of the climate hazards (magnitude) and degree of exposure (likelihood) are combined to calculate risk scores, which can range from 0 to 10. This allows climate hazards to be compared, determining the relative level of risk associated with each hazard.

Transition risks

The analysis was carried out using two International Energy Agency (IEA) scenarios.

- **Stated Policy Scenario (STEPS)**: provides foresight based on the latest policy measures, including energy, climate, and related industrial policies. More conservative outlook ("business as usual"), with no additional or more ambitious measures to address climate change, highlighting the risks if announced targets are not met.
- **Sustainable Development Scenario (SDS)**: aligned with the Paris Agreement, this scenario assumes that all national climate and energy sector-related targets announced by governments are met in full and on schedule. Provides information on risks if the planet successfully transitions to a low-carbon economy. Under this scenario, current pledges of net zero emissions will be achieved by 2050 in advanced economies, by 2060 in China and by 2070 in all other countries, with a 50% probability of limiting global temperature increase to 1.65°C.

The global emissions gap between STEPS and the SDGs represents the implementation gap that must be closed for governments to achieve their announced decarbonization targets.

Transition risks have been assessed for the Company's assets in five geographical blocks: European Union, United States, Africa, Southeast Asia, and global.

The transition risk assessment includes seven climate scenario indicators that describe the risks and opportunities associated with the transition to a low-carbon economy:

- Risk: Carbon mechanisms and carbon taxes.
- Risk: More stringent environmental regulations.
- Risk: Changes in consumer preferences.
- Risk: Transition to low-carbon technologies.
- Opportunity: Increased demand for low-carbon products.
- Opportunity: Energy efficiency.
- Opportunity: Use of renewable or low-carbon energy.

Each indicator scores each location by combining the relevance weighting with the difference between the scenarios over the time horizons, also known as the "scenario delta." The higher the delta, the greater the difference between the scenarios and, consequently, the greater the risk. Thresholds denote high, moderate, and low risk, as well as high, moderate, and low opportunities.

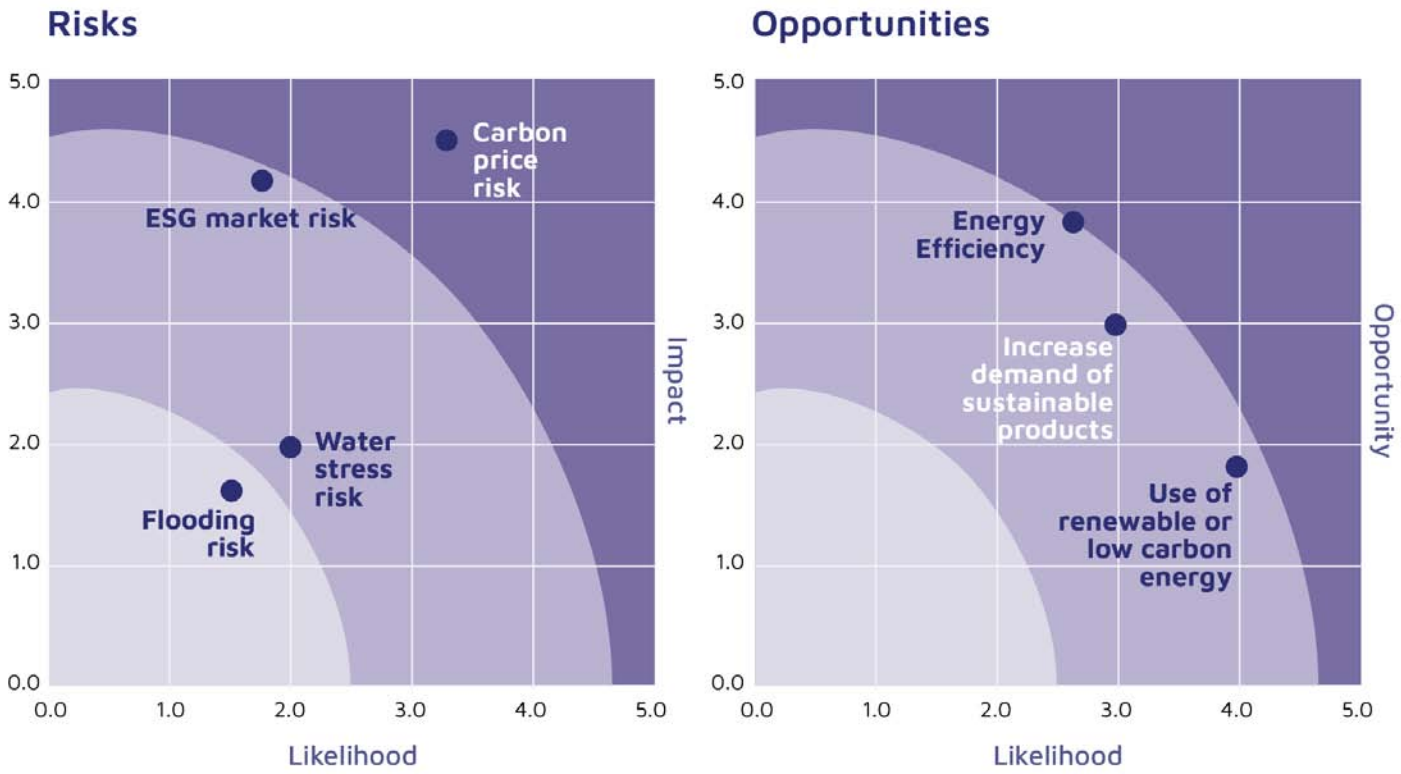
The results show that transition risks are more significant for some assets depending on their location. However, no assets have been identified that are incompatible with a transition to a climate-neutral economy.

The following table shows the results of the climate analysis of risks and opportunities for the Group.

Risk	Type of risk	Classification	Time horizon	Scenarios	Potential business impact	Mitigation and control measures
Risk of water stress and drought	Physical - chronic	High*	Medium and long term	RCP 2.6 and 8.5	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	Transition - political or legal	Moderate and high	Medium and long term	STEPS and SDS	Direct impact on operations	Setting targets to improve carbon intensity within the framework of the Decarbonization Plan.
					Indirect impact on supply chains, implying 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	Transition - market	Low and moderate	Medium and long term	STEPS and SDS	Decrease in demand	Setting of 2030 sustainability targets
						Sustainability Master Plan - Positive Impact 360°
						Decarbonization plan and setting of carbon intensity targets
						Developing premium products that meet more stringent sustainability criteria (ECO ACX)

*Physical risks include the highest level identified at any of our facilities.

Opportunity	Type of opportunity	Classification	Time horizon	Scenarios	Potential business impact	Stimulus measures
Increasing demand for more sustainable products	Products and services	High	Short, medium and long term.	STEPS and SDS	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 360°
						Developing premium products that meet more stringent sustainability criteria (ECO ACX)
Improving energy efficiency	Resource efficiency	Moderate	Short, medium and long term.	STEPS and SDS	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	Energy sources	Moderate	Short, medium and long term.	STEPS and SDS	Reduced exposure to the future price of fossil fuels	Setting targets aimed at increasing the consumption of renewable energy
					Improving business sustainability	



Policies related to climate change mitigation and adaptation

E1-2

Climate change is one of the greatest environmental, social, and economic challenges. The Group believes that mitigation should be integral to every activity and decision, knowing that this goal can be achieved without sacrificing excellence, profitability, efficiency, and returns for all stakeholders.

This commitment is embodied in the General Sustainability Policy and the Climate Change Policy, presented to the Sustainability Committee in October 2024 and approved by the Board of Directors in February 2025.

The General Sustainability Policy establishes the principles that should govern the Acerinox Group's strategy and guidelines for managing sustainability incidents, risks and opportunities, including mitigation and adaptation to climate change.

The Group takes on and promotes a series of principles that must govern its actions. These include, among others, mitigating climate change by implementing energy-efficiency measures, promoting the use of renewable energies, and optimizing water consumption, as well as adapting to the effects of climate change where appropriate.

The General Sustainability Policy also addresses the promotion of the circular economy and the rational and sustainable use of natural resources, as well as the protection and recovery of biodiversity and ecosystems.

The Group's Climate Change Policy establishes a framework for its business model and strategy to be consistent with its commitment to the transition to a low-carbon economy and limiting global warming.

The purpose of the Acerinox Group's Climate Change Policy is rooted in its General Sustainability Policy, the Sustainability Due Diligence Policy, the Group's Human Rights Policy, the Sustainable Development Goals, and the United Nations Global Compact Principles, among others.

Policies are developed in specific action plans, such as the Beyond Excellence Plan, Decarbonization Plan, and so on.

Both policies apply to all entities within the Group, which will ensure that the principles of these policies are also adopted by other business partners in the activity chain.

The Board of Directors oversees compliance with both policies, and they will be available on the Company website.

Actions and resources in relation to climate change policies

E1-3

In 2024, more than 50 decarbonization initiatives were carried out, saving more than 450,000 tCO_2. The main decarbonization lever was the increased use of renewable energies, which in 2024 accounted for 44.45% of the Group's electricity consumption, having increased by almost 10%. Also noteworthy are the energy efficiency measures and the increased use of scrap.

Each of the actions has an associated budget (CAPEX or OPEX) that must be approved by the CEO of the corresponding factory. The table below reports the emissions avoided in 2024. Based on the financial data, an estimate has been made to allocate CAPEX or OPEX to energy efficiency (EUR 1,402,478 and EUR 216,933 respectively) and to the other decarbonization levers (EUR 635,600 and EUR 27,910,939 respectively). The Group is currently working to improve the granularity of the financial information associated with climate change actions (Note 9. Property, plant and equipment - Environment in the Consolidated Annual Accounts).

The 2025-2030 Decarbonization Plan requires an estimated annual investment of EUR 817,500 in CAPEX and EUR 1,711,315 in OPEX. 95% of the CAPEX and 49% of the OPEX of the 2024 decarbonization initiatives is aligned with the Taxonomy (Acerinox Europa, Columbus Stainless and NAS). It is estimated that, in the future, the Company will have an aligned CAPEX and OPEX percentage in a similar range to that of 2024, taking into account the uncertainty that exists in this estimate.

Taxonomic CAPEX and OPEX includes the CAPEX and OPEX of the aligned activities, which includes all the work carried out at Acerinox Europa, Columbus Stainless, and NAS. On the other hand, the CAPEX and OPEX of the Decarbonization Plan comprises the CAPEX and OPEX of all the activities defined in the Decarbonization Plan implemented by the Group's factories (Acerinox Europa, Columbus Stainless, NAS, Roldán, Inoxfil, and VDM Metals). In 2025, Haynes International will be included.

Decarbonization lever	Current (2024)				Planned (2025-2030)			
	Number of initiatives	Scope 1 emissions savings (tCO_2eq)	Scope 2 emissions savings (tCO_2eq)	Scope 3 emissions savings (tCO_2eq)	Number of initiatives	Scope 1 emissions savings (tCO_2eq)	Scope 2 emissions savings (tCO_2eq)	Scope 3 emissions savings (tCO_2eq)
Improving energy efficiency	15	4,228.00	1,875	581	43	203,526	200,877	3,837
Promotion of heat recovery systems from process sources	4	2,848.60	0	0.0	4	49,896	0	0
Electrification of systems	0	0.00	0	0.0	9	80,962	-77,818	0
Electrification of vehicle fleet	3	18.00	0	0	4	158	0	0
Increased use of renewable energies and, in particular, renewable electricity	14	759.00	438,691	0	50	1,840	4,229,988	0
Use of alternative low-carbon fuels (e.g. green hydrogen, biomethane)	0	0.00	0	0	0	0	0	0
Increased use of scrap metal	17	1,933.00	0	20704	22	22,702	0	185,732
Increased use of low-carbon commodities or ferroalloys	1	820.00	0	0	1	4,920	0	0
Other	0	0.00	0	0	1	0	442	0
Total	**54**	**10,607**	**440,566**	**21,284**	**134**	**364,004**	**4,353,489**	**189,569**

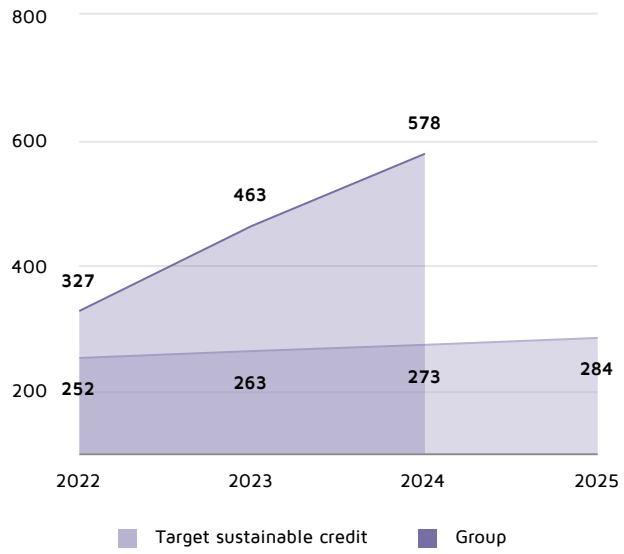
The table includes own and upstream decarbonization measures for Acerinox Europa, NAS, Columbus Stainless, VDM Metals, Roldán, and Inoxfil. Haynes International's initiatives will be integrated into the 2025-2030 Decarbonization Plan. Specific targets and actions for climate change adaptation are expected to be added in the coming years.

The Decarbonization Plan has adopted a conservative approach, and only feasible technologies that are available today have been taken into account in the emissions reduction estimates. This mitigates the potential risk of not meeting the approved emissions reduction targets.

To carry out the initiatives, in addition to internal financing, Acerinox has sustainable credits linked to the fulfillment of decarbonization targets.

For one, the Group has a sustainable credit linked to the increase in renewable energy sources. The Company committed to improving the renewable electricity intensity ratio of the entire Group (Stainless Steel and High-Performance Alloys Divisions) by 4% per year from 2020. In 2024, this target was 273 renewable Kwh/metric tons of steel; the actual figure was 578 renewable Kwh/metric tons of steel, reaching the target. In 2024, renewable energy accounts for 44.45% of the Group's electricity consumption.

Group's renewable energy intensity (renewable kWh/metric ton of steel produced)



For another, the Stainless Steel Division signed credits linked to a 1% annual reduction in emissions intensity (Scope 1+2). The 2024 target was met as the ratio was 1.044, below the target of 1.075 tCO_2eq/metric ton of production.

Parameters and targets

E1-4

Stainless steel is a very sustainable, long-lasting, and infinitely recyclable material. Despite these positive qualities, its manufacture accounts for a considerable proportion of global industrial emissions due to the intensive use of electrical energy to melt scrap and ferroalloys, as well as the use of fossil fuels, such as natural gas, in the heating and smelting processes. In addition, the production of stainless steel and high-performance alloys requires the use of ferroalloys and other raw materials, and their availability is crucial to the Group.

One of the pillars of the Sustainability Master Plan is eco-efficiency and climate change mitigation, which sets a target of a 7.5% reduction in energy intensity, a 20% reduction in GHG emissions intensity (Scopes 1 and 2) and a 20% reduction in water withdrawal intensity by 2030, based on 2015. For more information, see ESRS 1 GOV-3.

In relation to the emissions reduction target, the 2025-2030 Decarbonization Plan establishes new, more ambitious targets, aiming to be compatible with limiting global warming to 1.5°C, and based on science (SBTi). According to this methodology, Acerinox must reduce Scope 1 and 2 emissions by 45.28% by 2030 compared to 2021. A Scope 3 emissions reduction target of 15% for 2030 compared to 2021 has also been set. To achieve these goals, the 2025-2030 Decarbonization Plan has been approved. Section E1-3 describes the plan's decarbonization levers and its quantitative contributions to reach the listed targets.

2021 has been selected as the base year because it is the first year in which the GHG Inventory of the entire Group, including VDM Metals, was calculated and verified by an external party, as per the GHG protocol. Due to the sale of Bahru Stainless in 2024 and given that the inventory was conducted at the factory level, the recalculation involved the accurate subtraction of emissions associated with Bahru Stainless operations. Acerinox Group emissions in 2021, excluding Bahru Stainless, were 3,117,325 tCO_2e Scope 1 and 2 and 4,877,793 tCO_2e Scope 3.

In 2025, Haynes International will be integrated into the perimeter of the Decarbonization Plan and its associated targets.

The established emissions reduction targets include the operational approach and the same GHG gases that are included in the GHG inventory. The market-based approach is also used for Scope 2 emissions. The target for 2030 is 1,705,705 tCO_2e of Scope 1 and 2 emissions and 4,146,124 tCO_2e of Scope 3 emissions.

Prior to the approval of the decarbonization targets, the Company examined two scenarios: the baseline scenario and the achievable sustainable scenario (that aims to be compatible with limiting global warming to 1.5°C).

First, a baseline scenario in which production remains constant between 2025 and 2030 at 2023 values while the measures included in the Decarbonization Plan are implemented. Under this scenario, the use of renewable energy will not increase in the future.

Second, the achievable sustainable scenario, in which production increases according to internal forecasts in 2030 compared to 2023 and 60% of electricity comes from renewable sources.

Depending on the production level and starting point of each factory, internal goals are established for each premise, with targets for each factory. The individual targets ensure compliance with the group-level target for Scopes 1 and 2. In addition, the overall target is also set in terms of intensity.

Similarly, Scope 3 emissions reduction targets are set at the factory level, both in absolute and relative terms. Under this scenario, the 15% reduction target in Scope 3 emissions by 2030 compared to 2021 is also achieved.

The Decarbonization Plan includes the adoption of new technologies that cannot currently be implemented due to their level of maturity, such as the use of biofuels.

Some studies and pilot projects on hydrogen injection into the natural gas grid were carried out in different factories in Europe, and the biomethane market is being assessed.

Some of these projects are expected to be completed by the end of the plan period.

According to applicable policies, the definition of the energy, emissions and blue water footprint targets was set based on estimated production capacity and industry benchmarks, Stakeholder participation was not considered.

The Sustainability Committee reviews the progress the indicators of energy intensity, emissions intensity and water footprint intensity intensity against the target quarterly, evaluating at the group, division, and factory levels. If significant discrepancies arise, the Head of Sustainability consults with factory managers and presents explanations for these discrepancies to the Sustainability Committee.

The targets established in terms of energy, GHG emissions and water withdrawal are in response to the climate risk analysis conducted in 2023 according to the TCFD methodology

The assessment showed significant transition risks related to carbon taxation mechanisms and significant physical risks related to water stress at the Acerinox Europa and Columbus Stainless factories.

Below are the impacts, risks, and opportunities identified as material in the double materiality analysis and its related goals:

IRO	Description	Goal
Negative impact	High energy consumption in factories due to the company's business model	7.5% Reduction in energy intensity in 2030 compared with 2015
Positive impact	Use of efficient equipment and heat recovery in furnaces in factories	7.5% Reduction in energy intensity in 2030 compared with 2015
Negative impact	Greenhouse gas emissions due to the company's business model	45.28% reduction of CO_2 emissions (scopes 1 and 2)* and 15% (scope 3) in 2030 compared to 2021
Positive impact	Reduction of greenhouse gases due to the implementation of measures to mitigate climate change	45.28% reduction of CO_2 emissions (scopes 1 and 2) and 15% (scope 3) in 2030 compared to 2021
Positive impact	Implementation of systems and measures for the minimization and reuse of water resources in all factories (including sanitation, rainwater, groundwater, seawater, etc.)	3% Annual reduction in the intensity of the blue water footprint
Risk	Increase in energy costs due to the geopolitical situation	7.5% Reduction in energy intensity in 2030 compared with 2015
Risk	Increase in energy costs due to Acerinox's high energy consumption attributed to its business model	7.5% Reduction in energy intensity in 2030 compared with 2015
Opportunity	Reputational improvement due to the contracting of energy with a guarantee of renewable origin (PPAs and GoOs)	45.28% reduction in CO_2 emissions (Scopes 1 and 2) by 2030 compared to 2021
Risk	Increase in costs derived from the purchase of electricity due to poor implementation of energy efficiency measures	7.5% Reduction in energy intensity in 2030 compared with 2015
Opportunity	Cost reduction due to the implementation of measures such as heat recovery	7.5% Reduction in energy intensity in 2030 compared with 2015
Risk	Loss of market share due to non-compliance with CO_2 rates	45.28% reduction of CO_2 emissions (scopes 1 and 2) and 15% (scope 3) in 2030 compared to 2021
Risk	Increase in costs due to non-compliance with CO_2 rates	45.28% reduction of CO_2 emissions (scopes 1 and 2) and 15% (scope 3) in 2030 compared to 2021
Risk	Increase in costs (CAPEX and OPEX) to meet emission reduction targets	45.28% reduction of CO_2 emissions (scopes 1 and 2) and 15% (scope 3) in 2030 compared to 2021
Risk	Production stoppages have occurred due to water consumption limitations in areas of high water stress, such as Columbus, South Africa, and Algeciras (Spain).	3% Annual reduction in the intensity of the blue water footprint
Opportunity	Reputational improvement due to Acerinox's adherence to the UN CEO Water Mandate as a cornerstone for the development of efficiency plans in the management of water resources in our operations	3% Annual reduction in the intensity of the blue water footprint

*The joint CO_2 emissions reduction target (Scopes 1 and 2) of 45.28% is disaggregated into a 42% reduction of Scope 1 and 46.72% of Scope 2, as defined in the SBTi methodology.

Energy consumption and mix

E1-5

In some industrial sectors, such as the steel industry, energy use is intensive due to their activity. Acerinox consumes substantial amounts of fossil fuels and electricity to melt scrap and ferroalloys.

Energy consumption and mix (MWh)	2024
Fuel consumption from coal and its derivatives	8.04
Fuel consumption from crude oil and petroleum products	43,747.87
Fuel consumption from natural gas	2,675,623.54
Fuel consumption from other fossil sources	75,765.74
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	1,274,657.52
Total fossil energy consumption	4,069,802.71
Proportion of fossil sources in total energy consumption (%)	79 %
Energy consumption from nuclear sources	46,477.53
Proportion of nuclear sources in total energy consumption	1 %
Fuel consumption by renewable source	0.00
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	1,057,277.30
Consumption of electricity with guarantees of origin	962,202.25
Consumption of renewable electricity from the energy mix	95,075.04
Consumption of self-generated renewable energy not used as fuel	0.00
Total consumption of renewable energy	1,057,277.30
Proportion of renewable sources in total energy consumption (%)	20 %
Total energy consumption	5,173,557.54

*Renewable electricity consumption from the energy mix refers to the percentage of renewable energy from the remaining energy mix, excepting Columbus Stainless, VDM Metals USA, and Bahru Stainless from the supplier's energy mix.
**Acerinox does not produce its own energy.
***Acerinox does not consume hydrogen as fuel.

For more details on the calculation methodology and assumptions related to these metrics, see Appendix 8.4. Calculation of the Greenhouse Gas Inventory. The measurement has not been verified by any independent external body beyond the verification provider. However, the environmental management system is certified under ISO 14001.

The activity carried out is considered to be a sector with high climate impact, included in Section C. Manufacturing, subgroup 24. Manufacture of basic metals in accordance with Regulation (EC) No. 1893/2006 (NACE Codes).

Energy intensity per net income	Comparison	2023	2024
Total energy consumption from activities in sectors with a high climate impact by net income from activities in sectors with a high climate impact (MWh/EUR thousand)	10.80 %	0.86	0.96

Where:

	2,023	2024
Net income from activities in sectors with a high climate impact used to calculate GHG intensity (EUR thousand)	6,607,978	5,413,128
Net income (others) (EUR thousand)	0	0
Total net income (financial statements) (EUR thousand)	6,607,978	5,413,128

*Acerinox Group net income is included in the Net Revenue figure of the Profit and Loss Statement of the financial statements.

Acerinox has been promoting innovation and the development of more efficient and cleaner technologies in steel production for years.

Since 2015, energy management has been monitored in terms of intensity (GJ/metric ton of steel produced), and in 2020, a target was set to reduce the Stainless Steel Division's energy intensity by 7.5% in 2030 compared to 2015 levels. In 2024, the target was expanded to include the entire Group.

The achievement of this target has been affected by the drop in production, the Group's internal situation and the macroeconomic and political environment. The strike undertaken by Acerinox Europa workers and the closure of the Bahru Stainless factory have had an impact on the drop in melting shop production of approximately 10% (12% if factories without melting shop are included). To these factors, we must add the impact of the energy crisis and international conflicts.

These circumstances worsened the indicator of energy intensity per metric ton of steel produced, which stood at 10.19 GJ/metric ton of steel (2023: 9.9 GJ/metric ton of steel).

Gross Scopes 1, 2, 3 and Total GHG emissions

E1-6

The Group's carbon footprint has been calculated following the GHG Protocol Corporate Standard and the GHG Protocol Corporate Standard for Value Chain Accounting and Reporting (Scope 3).

2021 is established as the baseline year for Scope 1, 2 and 3 emissions, due to the change in regulations and the inclusion of new categories. The calculation methodology is explained in detail in Appendix 8.4: Calculation of the Greenhouse Gas Inventory.

	Retrospective				Milestones and target year	
tCO_2eq	2021	2023	2024	Variation 2023 vs 2024	2030	Annual target %/ baseline year
Scope 1 GHG emissions						
Gross Scope 1 GHG emissions (tCO_2eq)	974,048	778,993	708,348	-9.07%	550,436	-4.35%
1.1. Stationary combustion	779,291	640,816	568,131	-11.34%		
1.2. Mobile combustion	6,525	6,200	10,618	71.27%		
1.3. Process emissions	181,740	126,853	124,909	-1.53%		
1.4. Fugitive emissions	6,492	5,124	4,690	-8.47%		
Percentage of Scope 1 GHG emissions from regulated emissions trading schemes (%)	32.49 %	26.61 %	21.04 %	-20.94%		
Scope 2 GHG emissions						
2.1. Location-based gross Scope 2 GHG emissions (tCO_2eq)	1,530,710	1,112,290	891,928	-19.81%		
2.2. Market-based gross Scope 2 GHG emissions (tCO_2eq)	2,206,722	1,483,866	1,243,056	-16.23%	1,155,269	-4.76%
Significant Scope 3 GHG emissions						
Total gross indirect GHG emissions (Scope 3) (tCO_2eq)	5,179,138	3,384,875	4,424,631	30.72%	4,146,124	-1.99%
3.1. Goods and services purchased	4,055,026	2,597,316	3,541,689	36.36%		
3.2. Capital assets	0	0	146,606			
3.3. Fuel and energy activities not included in Scope 1 or Scope 2	296,997	219,481	201,038	-8.40%		
3.4. Upstream transport and distribution	98,154	49,017	49,462	0.91%		
3.5. Waste generated in operations	307,686	252,513	237,915	-5.78%		
3.6. Business travel	281	1,089	1,928	77.04%		
3.7. Transport used on the way to and from work	1,169	8,087	7,600	-6.02%		
3.8. Upstream leased assets	0	0	0			
3.9. Downstream transport and distribution	418,377	256,306	237,090	-7.50%		
3.10. Processing of sold products	0	0	0			
3.11. Use of sold products	0	0	0			
3.12. End of useful life treatment of sold products	1,448	1,066	1,303	22.22%		
3.13 Downstream leased assets	0	0	0			
3.14 Franchises	0	0	0			
3.15. Investments	0	0	0			
Total GHG emissions						
Total GHG emissions (location-based) (tCO_2eq)	**7,683,896**	**5,276,158**	**6,024,907**	**14.19%**	**N/A**	**N/A**
Total GHG emissions (market-based) (tCO_2eq)	**8,359,908**	**5,647,734**	**6,376,035**	**12.90%**	**5,851,829**	**-3.00%**

*The organization's carbon footprint includes GHGs (carbon dioxide, methane, and nitrous oxide) generated by the company. For more information, see Appendix 8.4.
**The organization's 2023 and 2024 carbon footprint does not include emissions generated by Haynes.
***Acerinox does not generate biogenic emissions.
****Scope 2 emissions include electricity purchased by Acerinox. The Company does not consume acquired cooling, steam or heat.
*****Percentage of Scope 1 GHG emissions from regulated emissions trading schemes (%) is calculated using the following formula: (GHG equivalent and GHG emissions in (tCO2 equivalent) from EU ETS facilities + domestic ETS facilities + non-EU ETS facilities / Scope 1 GHG emissions (tCO2eq).
******GHG emissions from purchased cloud computing and data center services are not material, given Acerinox's business model.
*******The measurement has not been verified by any independent external body beyond the verification provider. However, the environmental management system is certified under ISO 14001.

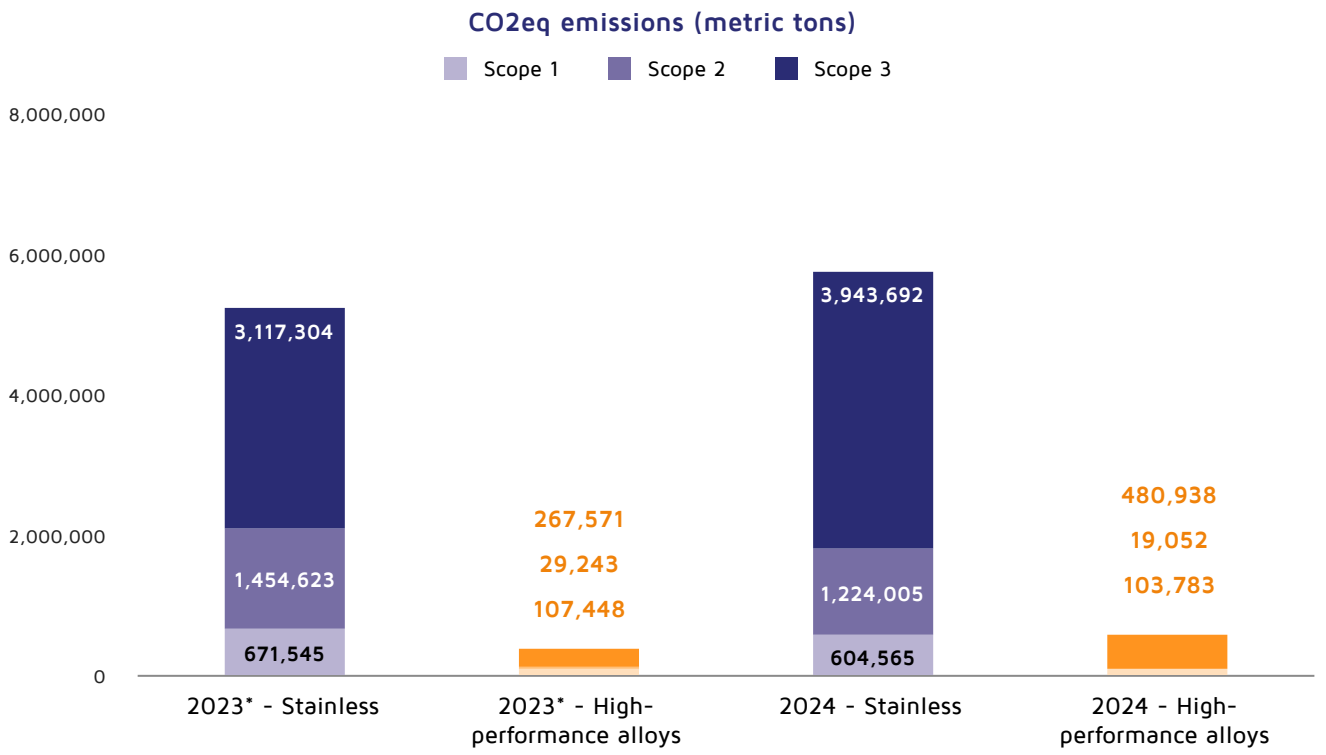
GHG intensity by net income	Comparison	2023	2024
Total GHG emissions (location-based) by net income (tCO_2eq/EUR thousand)	39.40 %	0.80	1.11
Total GHG emissions (market-based) per net income (tCO_2eq/EUR thousand)	37.82 %	0.85	1.18

Where:

	2,023	2024
Net income from activities in sectors with a high climate impact used to calculate GHG intensity (EUR thousand)	6,607,978	5,413,128
Net income (others) (EUR thousand)	0	0
Total net income (financial statements) (EUR thousand)	6,607,978	5,413,128

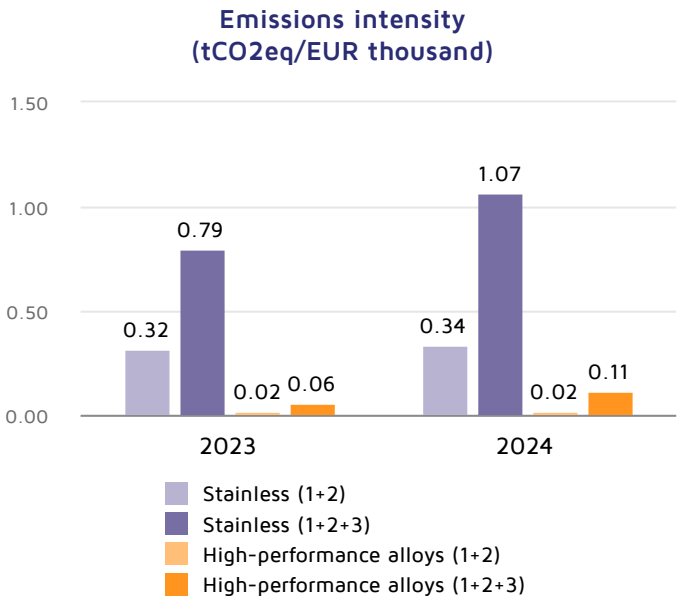
*Acerinox Group net income is included in the Net Revenue figure of the Profit and Loss Statement of the financial statements.

Scopes 1, 2 and 3 group emissions (tCO_2eq)



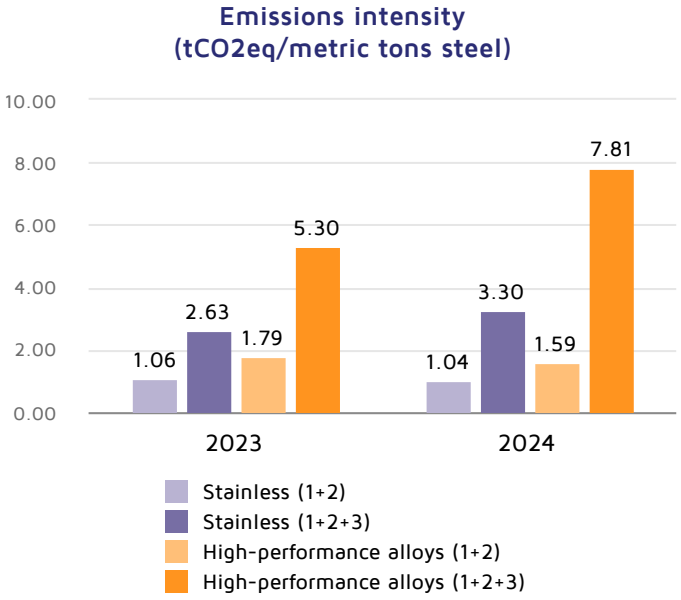
In 2024, the Group' Scope 1 and 2 CO_2 emissions decreased by almost 14% at a Group level. This was mainly due to energy efficiency measures and a 10% increase in the use of renewable energy compared to 2023, rising to 44.45% of total electricity. However, Scope 3 emissions increased by 31%, mainly due to an increase in emissions derived from ferroalloys and raw materials acquisition, as well as taking new reporting categories into account. As a result, the Group's total carbon footprint increased by 13%.

Scopes 1+2+3 Group emissions intensity (tCO_2eq/EUR thousand)



*Acerinox Group net income is included in note 18 to the financial statements.

Scopes 1+2+3 Group emissions intensity (tCO_2eq/metric ton of steel)



The fall in steel production of approximately 10% during the year (12% if factories without melting shop are also included) had a significant impact on these indicators: emissions intensity per euro and per metric ton of steel sold. Despite this, Acerinox achieved the Scopes 1 and 2 proposed targets for 2024 (1,071), with an intensity ratio of 1,067 tCO_2eq/metric ton of steel produced.

GHG removals and GHG mitigation projects financed through carbon credits

E1-7

The Acerinox Group did not develop any GHG removals and GHG mitigation projects financed through carbon credits.

The Company is exploring the possibility of CO_2 capture, storage, and use projects. Currently, some projects are in a preliminary phase. For example, a implementation feasibility study has been conducted at one of the factories.

On the other hand, Company has not contributed to greenhouse gas sequestration projects upstream and downstream in our value chain.

Internal carbon pricing

E1-8

The Acerinox Group has set an internal carbon price of EUR 63.75/tCO_2 in 2024. The internal carbon pricing system is a shadow price, i.e., a theoretical price based on external resources. It is based on estimated changes to the carbon price in the European Emissions Trading Scheme (Carbon Pulse EUA Price Forecast, which takes into account the forecast of twelve traders). This price applies to the entire company: it is a single price, regardless of location, business unit, or activity.

Acerinox projected its carbon price according to information from the report, last updated in April 2024. The result was the following:

- 63.75 /tCO_2 in 2024
- 75.30 /tCO_2 in 2025
- 91.35 /tCO_2 in 2026
- 109.30 /tCO_2 in 2027
- 123.85 /tCO_2 in 2028
- 128.45 /tCO_2 in 2029
- 134.85 /tCO_2 in 2030

This forecast predicts that the price of carbon will increase by 111% over the next 7 years.

The internal carbon price is applied to Scope 1 and Scope 2 in the economic analysis of energy efficiency and other decarbonization initiatives in order to incorporate this variable into investment decisions.

The Financial Statements do not take into account the carbon price.

Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

E1-9

The Group is also working to better quantify anticipated financial impacts of climate risks and is taking advantage of the phase-in period under ESRS 1-10 regarding the timeline for reporting this quantification in future years.

Water and marine resources (ESRS E3)

Incident, risk, and opportunity management

Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

E3 IRO-1

Managing these issues is integrated into the broader context of climate-related incidents, risks, and opportunities. Detailed information about these processes can be found in sections SBM-3: "Material impacts, risks and opportunities and their interaction with strategy and business model" and IRO-1: "Description of the processes to identify and assess material climate-related impacts, risks and opportunities."

Acerinox has conducted a water risk impact analysis for its main factories using the World Resources Institute's Aqueduct platform. This analysis identifies physical, quantitative, qualitative, reputational, and regulatory risks.

The dual materiality analysis identified the following significant IROs related to water and marine resources:

IRO	Description	Type of risk / opportunity
Positive impact	Implementation of systems and measures for the minimization and reuse of water resources in all factories (including sanitation, rainwater, groundwater, seawater, etc.).	-
Risk	Production stoppages have occurred due to water consumption limitations in areas of high water stress, such as Columbus, South Africa, and Algeciras (Spain).	Systemic risks
Opportunity	Reputational improvement due to Acerinox's adherence to the UN CEO Water Mandate as a cornerstone for the development of efficiency plans in the management of water resources in our operations	Resource use efficiency

The double materiality analysis, which identified these IROs, takes into account affected communities through technical information consultations. Additionally, other stakeholders such as employees, customers, suppliers, shareholders, and investors were consulted.

The findings indicate a significant physical risk of water stress and drought at the Acerinox Europa factory in Campo de Gibraltar, Spain, situated in the Guadarranque river basin, and at Columbus Stainless in Middelburg, South Africa, located in the Olifants river basin. Moreover, there is no reliance on raw materials sourced from marine resources.

To ensure responsible and sustainable water use, Acerinox has implemented water recirculation and treatment systems in its factories, aiming to return as much water as possible to the environment with the same purity and quality as when it was collected. The Group is enhancing its measures to secure necessary water supplies, especially during droughts, and also facilitates access for local community use.

Policies related to water and marine resources

E3-1

Responsible water management is crucial for the Group, given that producing stainless steel and high-performance alloys requires substantial amounts of this natural resource.

In 2025, the Group updated the Sustainability and Safety, Health, and Environment Policies, replacing the previous ones. The rational and sustainable use of water, along with ecosystem protection across all activities, are key principles in the Sustainability Policy, as well as in IRO management.

Similarly, the Health, Safety and Environment Policy is dedicated to protecting nature, which includes managing and consuming water resources responsibly and maintaining their quality. These policies apply to all entities within the Acerinox Group, including those in water-stressed areas. They must ensure that policy principles are followed by all commercial partners involved in the activity chain.

The Board of Directors oversees compliance with both policies, and they will be available on the Company website.

Most factories source their water from rivers (NAS, Roldán, and VDM Metals). However, some facilities draw water from swamps (Acerinox Europa), reservoirs (Columbus Stainless and Bahru Stainless), or the public supply network (Inoxfil and VDM Metals). No factory sources its water from marine resources, whether biological or non-biological.

Water is essential throughout the production process for cooling machinery and molten steel, cleaning equipment, generating steam, and treating wastewater.

Our factories have measures in place to prevent, avoid and act in the event of spills or discharges resulting from the storage of other substances. Neutralization and treatment facilities for both acidic and basic water, along with emergency ponds, allow us to maximize the recirculation of water and prevent any discharges into the natural environment. Together with other security measures, they eliminate the risk of spills. The tanks are equipped with a permanent secondary containment mechanism, as well as cleaning and emergency shutdown services.

The Group's operations have a minimal impact on marine resources since only Acerinox Europa discharges water into the sea. Water is discharged into the Bay of Algeciras through a general collector managed by the Major Industries Association of Campo de Gibraltar. This discharge is subject to regular analysis in accordance with the Plan for the Monitoring and Control of the Receiving Environment for Discharges into the Bay of Algeciras.

CDP Discloser 2024

Acerinox once again earned a **B rating** from the Carbon Disclosure Project (CDP) for its sustainable water management.

Actions and resources related to water and marine resources

E3-2

Sustainable water management is key to ensuring the continuity of its operations and contributing to a more sustainable future. Key actions include joining the CEO Water Mandate in 2024 and assessing the company's water footprint.

Milestones 2024	Challenges 2025-2030	Geographical area
Membership of CEO Water Mandate	Improved CDP Water rating	Corporate
Development of water footprint model for the High-Performance Alloys Division	Development of Water Footprint Model for Haynes	US
Development of policies, including water management	Reduction and continuous improvement in Blue and Gray Water Footprints	Global
Improvement of water footprint parameter calculation processes	Investments to improve the quality of water management data	Global

In 2024, the Company allocated EUR 50,374,836 to OPEX and EUR 1,251,201 to CAPEX for water resource management. (Note 9. Property, plant and equipment - Environment in the Consolidated Annual Accounts).

It is estimated that the Company's future CAPEX and OPEX percentages will be similar to those in 2024, although there is some uncertainty in this estimate.

CEO Water Mandate

In 2024, Acerinox joined the United Nations CEO Water Mandate initiative to advance sustainable water practices and strengthen our commitment to environmental challenges.

UN GLOBAL COMPACT CEO WATER MANDATE

The goal is to implement innovative and sustainable strategies across all operations, prioritizing the most vulnerable river basins.

As part of this community, the Group collaborates with other companies and organizations to foster sustainable growth and improvements in six key areas:

- Direct operations
- Supply chain management
- Collective action
- Public policies
- Community engagement
- Transparency

To ensure responsible water management, several initiatives have been introduced, including:

- Water footprint measurement: Conducting rigorous assessments to quantify the total volume of water used at each phase of the company's operations, with plans to extend this analysis to the entire value chain. This helps identify areas of highest consumption and opportunities for improvement.
- Water quality analysis: performed at the Group's facilities and by accredited external laboratories to ensure compliance with quality standards and legal requirements. Parameters analyzed include suspended solids, pH, alkalinity, and metal content, among others.
- Collaboration with stakeholders: Acerinox engages with local communities, government authorities and other stakeholders to develop water management strategies that benefit both the Company and the environment.
- Water restoration projects: The Group undertakes initiatives within natural ecosystems to enhance water quality and promote the reuse of wastewater, thereby supporting the sustainability of the river basins where it operates.
- Commitment to the SDGs: Acerinox integrates Sustainable Development Goal 6, which focuses on clean water and sanitation, into its sustainability strategy.

The Group ensures access to Water, Sanitation, and Hygiene (WASH) services at its facilities, which includes providing potable water, maintaining appropriate sanitary facilities, and promoting hygienic practices.

Over the past four years, Acerinox has managed water resources effectively without any significant incidents, thanks to its implementation of best management practices.

The Group remains committed to minimizing its water impact, maximizing water use efficiency, and promoting sustainable practices throughout its operations and supply chain.

Water footprint assessment

We calculate the blue water footprint (surface and groundwater) and the gray water footprint (contaminated water) using the Water Footprint Network (WFN) methodology. This methodology assesses the water stress of each facility using data from the World Resources Institute (WRI) and future projections.

To carry out this assessment, we categorize the regions where the Group operates based on their level of water stress, taking into account the balance between water demand and supply. This enables us to identify the areas with the highest water consumption and evaluate their vulnerability to water scarcity. Thirteen percent of the Group's factories are situated in regions experiencing high or extremely high water stress.

With this information, the Group aims to reduce water usage by implementing measures in production processes and optimizing the use of water in raw materials, auxiliary materials, and purification. Acerinox also promotes water reuse in its facilities by increasing the number of usage cycles and improving consumption control.

Although consumption improvements have been achieved, efforts continue to implement new measures and technologies.

The benefits of this water management approach include:

- Greater environmental awareness: Analyzing the water footprint supports informed decisions to reduce the Group's impact.
- Improving efficiency: Optimizing water use helps minimize expenses and enhances competitiveness.
- Strengthen relationships with local communities: Acerinox collaborates with them to develop sustainable solutions to water-related challenges.

By integrating sustainable water management into our operations, Acerinox manages the positive impact identified regarding the implementation of systems and measures for the minimization and reuse of water resources, as well as the risk of stoppages in production, as a result of the limitations on water consumption in areas with high water stress. All of the foregoing contributes to a more sustainable future for generations to come.

Targets related to water and marine resources

E3-3

Water is vital in the steel industry, especially in producing stainless steel and high-performance alloys. Due to the water-intensive nature of its production processes, Acerinox is dedicated to managing this resource efficiently and sustainably.

In 2020, the Group incorporated water resource management into its Sustainability Master Plan, The eco-efficiency and climate change mitigation pillar sets the target of a 20% reduction in water withdrawal intensity by 2030, using 2015 as the base year. This objective was set voluntarily to enhance water management within the Group.

Achieving this objective helps improve the management of the identified IROs in this area. The Company decided to establish a single target for all factories, while also implementing specific measures in facilities located in water-stressed areas, such as Acerinox Europa and Columbus Stainless.

Initially, this target was designed for the Stainless Steel Division, which achieved a reduction of 29.52% and met the target set for 2030. In 2024, it was decided to extend this target to the entire Group, setting the same reduction ratio as for the Stainless Steel Division (3.37% compared to the previous year).

2030 targets	Scope of application	Degree of progress (vs 2024 target)	2024 vs 2023
20% reduction in water withdrawal intensity compared to 2015	Acerinox Group	-3.31	-11.17%

*Progress data for 2025 is not reported, as this data is not available at the Group level.

In 2024, water withdrawal reached 5,818,316 m^3, with a production total of 1,828,133 metric tons. The approved goal is to reduce water withdrawal intensity by 20% by 2030. Due to the confidentiality of production values linked to this target, only the intensity target is disclosed.

According to applicable policies, this target was set based on estimated production capacity and industry benchmarks, without considering conclusive scientific evidence or ecological thresholds. No stakeholder involvement was considered, nor was any analysis of trends or significant changes in the company's performance to achieve the goal. Since the Acerinox Group does not rely on marine resources, it has not set any targets related to them. As of now, there is no defined target for reducing water consumption.

The Sustainability Committee reviews the progress of water withdrawal intensity against the target quarterly, evaluating at the group, division, and factory levels. If significant discrepancies arise, the Head of Sustainability consults with factory managers and presents explanations for these discrepancies to the Sustainability Committee.

In 2024, once the specific water withdrawal target for 2030 was achieved, a new target of a 3% annual reduction in blue water footprint intensity at Group level was set, that will apply as from the year 2025.

Water consumption

E3-4

If the water footprint cannot be calculated using the facility's internal systems, conservative estimates based on its standard operations will be made.

Each facility has water withdrawal control and monitoring systems. Volumes are accounted for daily through flow meters and verified annually by a third party. This monitoring is not only performed for production processes, but also to ensure compliance with the applicable permit requirements.

The Acerinox Group uses various sources, the quality standards of which are certified by the supplier: surface water (main case), production water and third-party water (municipal water providers).

Water volumes and discharged water quality are monitored according to local regulatory requirements and process efficiency parameters. All factories are equipped with treatment and neutralization plants to stabilize and remove contaminants before discharge, as well as secondary containment systems to prevent accidental spills and recover effluents.

All discharges from the facilities are checked regularly to ensure compliance with Emission Limit Values (ELVs) and other legal requirements.

Water consumption

m3	Total			Stainless		High-performance alloys	
	Total	Non-water-stressed areas	Water-stressed areas	Non-water-stressed areas	Water-stressed areas	Non-water-stressed areas	Water-stressed areas
2024	1,647,162	465,095	1,182,067	136,677	1,182,067	328,418	0
2023	2,547,321	724,018	1,823,303	464,682	1,823,303	259,336	0

*Acerinox does not store water.
**The Acerinox Group is investing in and developing methods to gather accurate data on recirculated water at each of its factories.

Water consumption in 2024 decreased by -35.34% compared to 2023 due to the decrease in production (around 10% in melting shop production, 12% if factories without melting shop are also included) and water saving plans implemented at the factories. In this context, it is worth mentioning the reduction of water consumption by the stainless steel division in areas with water stress, which decreased by -35.17% due to the strike at Acerinox Europa. Similarly, the Stainless Steel Division's water consumption in areas without water stress (-70.59%) decreased significantly due to improvements in the management of water reservoirs and some devices, better control of cooling towers and the implementation of repairs to valves and water pumps to remedy existing leaks.

Water intensity	Comparison	2023	2024
Total water consumption in the Group's own operations per net income (m3/EUR million)	-21.06%	0.39	0.30
Total water consumption in the Group's own operations per group production (m3/metric ton of steel produced)	-11.17%	3.58	3.18

*Acerinox Group net income is included in the Net Revenue figure of the Profit and Loss Statement of the financial statements.

Water withdrawal

m3	Total			Stainless		High-performance alloys	
2024	Total	Non-water-stressed areas	Water-stressed areas	Non-water-stressed areas	Water-stressed areas	Non-water-stressed areas	Water-stressed areas
Surface water	4,784,202	3,283,798	1,500,404	2,927,070	1,500,404	356,728	0
Groundwater	0	0	0	0	0	0	0
Seawater	0	0	0	0	0	0	0
Process water			0		0	0	0
Third-party water	876,624	610,489	266,135	337,987	266,135	272,502	0
Rainwater	157,490	0	157,490	0	157,490	0	0
Total	**5,818,316**	**3,894,287**	**1,924,029**	**3,265,057**	**1,924,029**	**629,230**	**0**

Water discharge

m3	Total			Stainless		High-performance alloys	
2024	Total	Non-water-stressed areas	Water-stressed areas	Non-water-stressed areas	Water-stressed areas	Non-water-stressed areas	Water-stressed areas
Surface water	3,079,588	3,079,588	0	3,079,040	0	548	0
Groundwater	0	0	0	0	0	0	0
Seawater	741,962	0	741,962	0	741,962	0	0
Third-party water	349,605	349,605	0	49,340	0	300,265	0
Total	**4,171,154**	**3,429,192**	**741,962**	**3,128,380**	**741,962**	**300,812**	**0**

Blue, gray, and total water footprint table

Acerinox Group	Comparison	2023	2024
Production*	275,719	2,109,271	1,836,932
Blue footprint (m^3)	-1,211,156	4,279,333	3,068,177
Blue footprint ratio (m^3/metric ton)	-0.36	2.03	1.67
Gray footprint (m^3)	-437,375	1,491,604	1,054,229
Gray footprint ratio (m^3/metric ton)	-0.14	0.71	0.57
Total water footprint (m^3)	-1,648,531	5,770,937	4,122,406
Total water footprint ratio (m^3/metric ton)	-0.50	2.74	2.24

*The Group's production in 2024 includes 5,420 metric tons from the Altena and Werdohl cold rolling mills.

The data has not been verified by an independent external body beyond the verification provider. However, the environmental management system is certified under ISO 14001.

Anticipated financial effects from water and marine resources-related impacts, risks and opportunities

E3-5

During the current financial year, there were no significant financial impacts, nor are any expected to appear in the short-term financial statements.

However, in the medium to long term, improved management of water resources is anticipated to enhance reputation while reducing risks associated with their use. To help the Company manage potential drought risks in the medium and long term, possible adaptation measures will be explored.

The Group is also working to better quantify anticipated financial impacts and is taking advantage of the phase-in period under ESRS 1-10 regarding the timeline for reporting this quantification in future years.

Resource use and circular economy (ESRS E5)

Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

E5 IRO-1

The dual materiality analysis conducted identified IROs related to resource use and the circular economy.

The process is explained in detail in the Dual Materiality Analysis section of 7.1 General disclosures - ESRS 2.

The process primarily considers resource inputs, including raw materials and other secondary materials; stainless steel and high-performance alloys as products supplied by the Group; and waste generated during production.

Below are the impacts, risks, and opportunities identified as material in the double materiality analysis:

IRO	Description	Type of risk / opportunity
Current positive impact	Implementation of circular economy measures through the reuse of scrap metal.	
Current negative impact	Use of scarce raw materials.	
Risk	Financial penalties resulting from poor waste management.	Legislation
Risk	Increased costs due to price volatility for raw materials and scarce resources.	Market
Opportunity	Cost reductions stemming from the use of scrap due to the optimization and increased use of scrap and other recycled materials.	Market

The double materiality analysis, which identified these IROs, took into account affected communities through technical information consultations.

Additionally, other stakeholders such as employees, customers, suppliers, shareholders, and investors were consulted.

Policies related to resource use and the circular economy

E5-1

In order to ensure sustainable growth, we must make efficient use of resources and promote initiatives that help us evolve towards a circular economy model.

To this end, Acerinox has developed and implemented sustainability and responsible purchasing policies. These documents detail the fundamental principles that guide Group procurement, production and distribution. This ensures that operations are conducted in an ethical and environmentally-friendly manner.

It should be noted that both the Sustainability Policy and the Health, Safety, and Environment Policy prioritize the waste minimization by promoting the sustainable resource use and the circular economy, optimizing the use of recycled and reused materials throughout the business chain. In terms of the waste hierarchy, the Sustainability Policy has established the promotion of waste recycling as one of its general principles of action.

The purpose of the Acerinox Group's Health, Safety and Environment Policy is rooted in its General Sustainability Policy, the Sustainability Due Diligence Policy, the Group's Human Rights Policy, the Sustainable Development Goals, and the United Nations Global Compact Principles, among others.

The Group believes that mitigating its impact should be integral to every activity and decision, knowing that this goal can be achieved without sacrificing excellence, profitability, efficiency, and returns for all stakeholders.

Both policies were updated in 2024 and approved by the Board of Directors in 2025, enhancing the management of the IROs identified in the double materiality analysis.

The policies apply to all entities within the Acerinox Group, which will ensure that the principles of these policies are also adopted by other business partners in the activity chain.

The Board of Directors oversees compliance with both policies, and they will be available on the Acerinox website.

Actions and resources related to resource use and the circular economy

E5-2

Acerinox maximizes the use of scrap in production processes, with levels of up to 90% for circularity purposes. This initiative serves as a driving force for the 2025-2030 Decarbonization Plan. For more information, see section E1-1.

The Company constantly invests in the research and development of more efficient methods to recover, recycle and reuse a wide range of metals and alloys throughout its products' life cycle. From raw materials acquisition to the end of their useful life, the Group explores innovative solutions to optimize resource use (particularly raw materials and ferroalloys) maximizing resource efficiency and minimizing environmental impact. The Company is not currently engaged in any industrial symbiosis processes.

Each initiative taken is subjected to rigorous feasibility and effectiveness assessments in order to make a tangible contribution to the Group's sustainability objectives.

Acerinox helps reduce waste generation upstream in the value chain by promoting the use of bulk supplies and/or recyclable packaging. Additionally, it supports upstream circularity by purchasing recycled materials.

The Company also uses recyclable packaging (cardboard, plastic, and metals), which encourages circularity among its customers.

The 2024 actions have a continuity approach with respect to what has been done in previous years.

Implementing these initiatives does not require significant capital or operating expenses beyond those mentioned in E1-1.

To promote transparency and accountability, Acerinox makes Environmental Product Declarations (EPDs) available to customers and other interested parties. They provide quantitative, verified information on the environmental impact of the Group's products throughout their life cycle.

By providing this information, Acerinox customers can make informed decisions and evaluate the environmental performance of the Group's products compared to alternatives. EPDs also help build a more sustainable future by promoting circularity and efficient resource use.

Targets related to resource use and circular economy.

E5-3

Acerinox's goal is to recycle 90% of all waste generated in own operations by 2030. This goal has not been set in response to any regulatory requirement but was established by the Group on a voluntary basis.

To ensure compliance with this goal, Acerinox implemented a robust monitoring and evaluation system, where the sustainability officers at each factory monitor progress on a monthly basis and the corporate sustainability team conducts periodic reviews. In addition, the Sustainability Committee is responsible for quarterly monitoring and any necessary corrective measures.

2030 targets	Scope of application	Degree of progress	2024 vs 2023
90% waste recycled	Acerinox Group	82.29%	3.36%

*The 2020 target did not take into account conclusive scientific evidence nor ecological thresholds. Stakeholder participation was also not considered.
**Acerinox has not currently established additional targets related to the resource use or circular economy.

Resource inflows

E5-4

The complete production process for stainless steel and high-performance alloys consists of several stages: melting shop, hot rolling, cold rolling and finishing. A description of the production process is provided in detail in 7.2. Environmental, in the European Taxonomy section.

During the melting process, raw materials (scrap, ferro-alloys and other elements) are melted down to make stainless steel. Acerinox uses secondary materials such as scrap, reaching figures close to 90% of recycled material as inflows to the process. This percentage varies depending on the final product specifications.

In the other stages, the main raw materials used are chemical products (acids) for surface treatments and process adaptation, as well as packaging materials.

The following tables show the resource inflows of the main materials (recycled and virgin) used in Acerinox's production process.

Recycled material used in the production process (tons)

2023				2024			
Scrap and metals	Recycled acids	Other recycled material	Recycled materials	Scrap and metals	Recycled acids	Other recycled material	Recycled materials
2,016,920.85	14,092.11	2,842.22	2,033,855.18	1,674,448.87	11,028.47	0.00	1,685,477.34
Scrap and metals*	Recycled acids**	Other recycled material***	Recycled materials****	Scrap and metals*	Recycled acids**		Recycled materials****
78.98%	41.49%	7.72%	70.59%	76.65%	32.06%		67.84%

*Scrap and purchased scrap is defined as process and internal scrap, as well as metal recovered from slag. The percentage of scrap and recycled metals is calculated using the following formula: Scrap and metals / (Alloys + scrap and metals).
**Recycled acid: total amount of nitric and hydrofluoric acid recovered from the process itself. It is calculated using the following formula: Recycled acids / Total acids.
***Other recycled material: includes recycled materials that have not been classified into scrap and recycled metals and recycled acids. It is calculated using the following formula: Other recycled material/ (Other recycled material + (Virgin materials - Alloys - Gases)). Unlike 2023, in 2024 no other recycled materials were used.
****The percentage of recycled materials is calculated using the following formula: Recycled materials / (Recycled materials+Virgin materials).
*****There is no overlap between recycling and reuse since all products are recycled.

Virgin material used in the production process (tons)

2023				2024			
Alloys	Gases	Acids	Virgin materials	Alloys	Gases	Acids	Virgin materials
536,757.82	276,822.50	33,968.53	847,548.85	509,969.89	254,519.97	34,403.36	798,893.22

* Acerinox does not use biological materials in its production process.

In 2024, resource inflows totaled 2,484,370.56 metric tons, 14% lower than 2023 (2,881,404.04 metric tons). This decrease is mainly due to the approximately 10% decrease in production in 2024 compared to 2023 (12% if factories without melting shop are also included).

The reported resource inflow data are from direct measurements. In some cases, consumption is measured in an automated manner by direct weighing, while in other cases it is measured through inventories that are periodically reviewed and recorded in each factory's information system.

On a monthly basis, environmental managers download the data from the system, review the data for consistency with previous periods, consolidate the data, and enter it into the corporate ESG tool. Finally, the data is reviewed by sustainability managers.

The data has not been verified by an independent external body beyond the verification provider. However, the environmental management system is certified under ISO 14001.

Because raw materials extraction generates a significant environmental impact, Acerinox has adopted an approach focused on the circular economy, prioritizing the use of scrap in production processes, which reduces the need to extract new raw materials.

In addition, the Group implemented a range of initiatives, such as optimizing machinery to minimize waste, reducing ferrochromium consumption and improving the AOD process to reduce chemical consumption.

Resource outflows

E5-5

Products and materials

The Acerinox Group's range of stainless steel products is defined by their manufacturing processes. Materials that have undergone similar processes will exhibit comparable mechanical and geometric properties. The Group's products are divided into stainless steel and high-performance alloys, which can be flat or long products.

Stainless steels are alloys composed of iron, chromium, and carbon, sometimes with additional elements like nickel, cobalt, or zirconium. The chromium within the alloys forms a self-regenerating surface layer (passive layer) that provides corrosion resistance and ensures the steel's indefinite durability under normal conditions, i.e., as long as oxygen is present on the surface.

When oxygen cannot reach certain areas of the steel, such as mechanical joints, compact corners, or incomplete or poorly finished welds, the steel's passive state is lost, leading to corrosion. This can result in cracks or pitting in the steel.

Acerinox manufactures products with applications in transport, industrial equipment and engineering, construction and infrastructure, the food industry, household appliances and kitchenware, as well as energy and environmental technology.

The Company's product is based in the circular economy: at the end of its life cycle, the materials return to being raw materials, without losing any of their properties in the reconversion and transformation process.

Each factory monitors the output of Acerinox Group's products using software tools. Factory managers send this information monthly to the corporate strategy department, which analyzes and tracks it. The data has not been verified by an independent external body beyond the verification provider. The factories produced 1,828,133 metric tons in 2024, of which 67.84% came from recycled products and 76.65% came from recycled scrap (2023: 2,072,867 metric tons).

Waste

To ensure efficient and transparent waste management, each of the Group's factories has specific monitoring and control systems. The Company uses digital tools and internal records to monitor the waste generated and its final destination. This data is collected and analyzed at the corporate level in order to identify opportunities for improvement and ensure compliance with environmental commitments. Waste that cannot be recycled is managed by specialized companies in accordance with local regulations.

Tons	2023		2024	
Total waste	1,298,793	%	1,172,638	%
Landfill	262,827	20.24%	207,650	17.71%
Recycled/Recovered	1,035,966	79.76%	964,988	82.29%
Total non-hazardous waste	1,182,735	91.06%	1,041,161	88.79%
Landfill	203,578	17.21%	138,367	13.29%
Recycled/Recovered	979,157	82.79%	902,794	86.71%
Total hazardous waste	116,058	8.94%	131,477	11.21%
Landfill	59,250	51.05%	69,283	52.70%
Recycled/Recovered	56,809	48.95%	62,194	47.30%

*The recovery operation carried out by Acerinox is recycling. Disposed waste is landfilled. No other disposal operations are performed.

** The percentage of waste sent for disposal is not supported by any industry standard; it relies on internal waste management practices. The Group is striving to achieve a 90% waste recycling rate.

Waste generation in 2024 decreased by -9.71% compared to the previous year. This decrease is mainly due to the approximately 10% decrease in production in 2024 compared to 2023 (12% if factories without melting shop are also included). Waste sent to the landfill decreased by -20.99%, while recycled waste decreased by -6.85%.

Metal-containing wastes from the steelmaking and rolling mill processes (such as slag, fumes and scale) are recovered by specialized companies and reincorporated into the production process.

Hazardous and non-hazardous chemical waste and sludge from water treatment plants are sent for recycling by specialized companies.

Finally, waste from packaging products (such as wood, plastic and metal) is sent to specialized recycling companies, and municipal solid waste is landfilled.

Tons	2023			2024		
t	Waste with metal content	Sludge and chemicals	Paper, wood, plastic and others	Metal-bearing wastes	Sludge and chemicals	Paper, wood, plastic, and others
Total waste	1,178,772	96,516	23,506	1,042,134	102,673	27,831
Landfill	216,311	41,936	4,580	160,239	40,260	7,151
Recycled/ Recovered	962,461	54,579	18,926	881,895	62,413	20,680

*Acerinox's processes do not generate radioactive waste.

The data has not been verified by an independent external body beyond the verification provider. However, the environmental management system is certified under ISO 14001.

Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities

E5-6

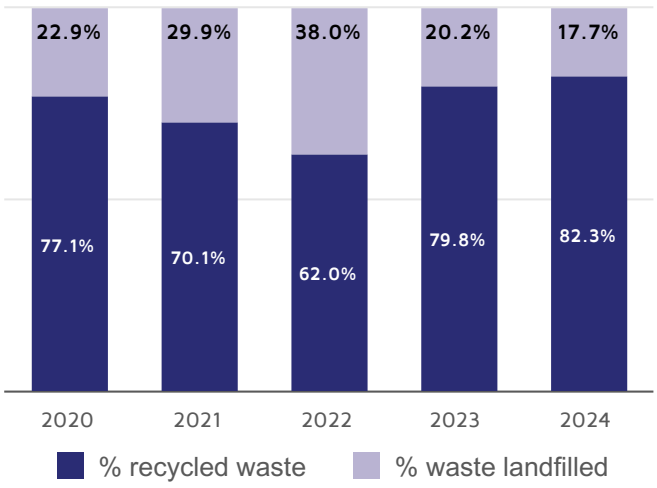
The acquisition of scrap metal and the volatility of raw material prices in 2024 have impacted product costs. No financial penalties have been incurred due to poor waste management.

One of the main risks identified in 2024 was the increase in costs due to the volatility of raw material prices and scarce resources, as in the case of ferroalloys. This risk is managed on a daily basis within the Company's operations through the economic study of primary and secondary raw materials.

On the other hand, our results show an opportunity for cost reduction from scrap reuse by optimizing and increasing the use of recycled materials.

In 2024, the Group continued to innovate and improve processes to optimize waste management. As a result, it was possible to significantly increase the recycling rate.

Waste management - Annual

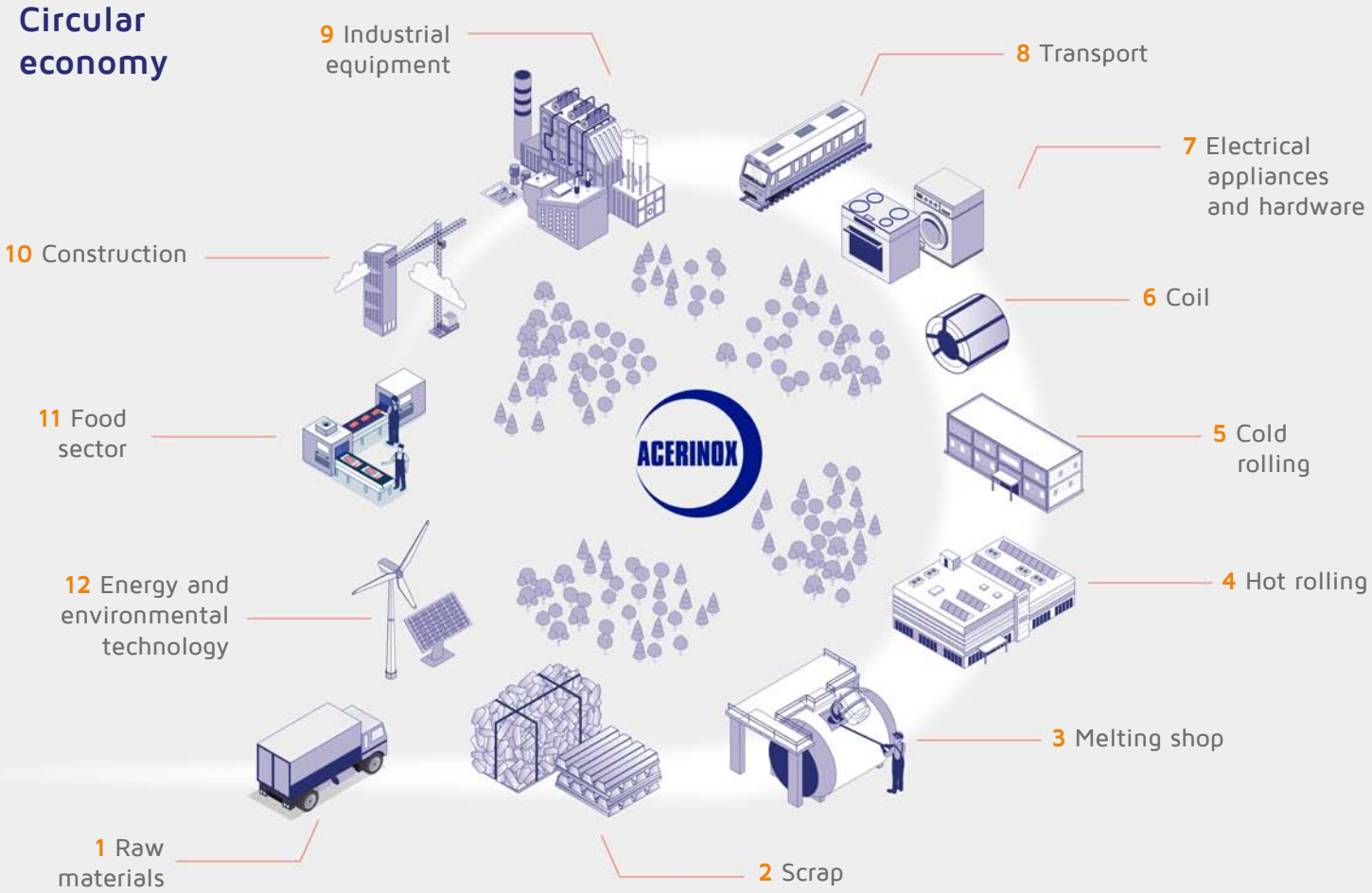


At Acerinox, waste management is a priority. The company is committed to minimizing our environmental impact and optimizing resource use. To achieve this, it has implemented rigorous environmental management systems at all sites, including awareness and training, use of advanced technologies, regulatory compliance and transparency.

Acerinox identified the opportunity to launch an environmentally-friendly product on the market, capturing a larger market share. In 2024 it launched the ECO ACX low-emissions product, which uses more than 90% recycled material.

The Group is also working to better quantify anticipated financial impacts and is taking advantage of the phase-in period under ESRS 1-10 regarding the timeline for reporting this quantification in future years.

Circular economy



7.3 Social information

Workforce (ESRS S1)

Strategy

SBM-2, SBM-3

Acerinox views its employees as the true driving force of the Company. The Group is dedicated to their personal and professional development, ensuring that all employees feel valued. Acerinox is also committed to safety across its factories, service centers, and offices, prioritizing the creation of a safe working environment for everyone.

The workforce at Acerinox includes both employees and non-employee workers. Non-employee workers includes subcontracted services from freelancers, service companies, and temporary employment agencies (TEAs). All of these individuals may face various impacts due to the Company's operations.

The primary **negative impact** on employees is the high risk of accidents, given the hazardous nature of their work. However, these incidents are isolated and infrequent. The most at-risk employees are the operators working in the Group's factories and service centers, particularly those handling machinery.

The process of relocating employees to suitable jobs in the event of incapacity or disability has been identified as a key **positive impact**.

However, these impacts can result in high absenteeism rates, which may **jeopardize** production efficiency.

Opportunities identified include enhancing the Company's reputation with employees by offering better working conditions than competitors, attracting and retaining staff through career planning, and improving reputation through reduced accident rates in operations.

Acerinox fosters a culture of commitment and well-being for its professionals by offering stability and career prospects, flexibility, and other benefits such as medical insurance, school assistance, transportation, and food or pension funds, among others. These allow the company to position itself as a leading employer. This diverse and essential offering helps attract and retain professionals while enabling them to reach their full potential.

Incident, risk, and opportunity management

Employee-related policies

S1-1, S1-10

Acerinox demonstrates its commitment to its employees through its **Code of Conduct and Good Practices**. Everyone working for the Group is entitled to dignified treatment, equal opportunities, fair wages, career advancement, and safe working conditions in an environment where they can freely express their opinions and concerns. The Code mandates that all agreements governing the relationships between the Group's companies and their employees must incorporate these principles and guidelines.

Furthermore, the Code underscores Acerinox's dedication to upholding the human and labor rights of all employees, in line with national and international laws and the principles of the United Nations Global Compact. It also commits to safeguarding the health and safety of everyone working within its facilities and ensuring fair and non-discriminatory treatment for all employees. The Code strictly bans forced labor and child labor.

The Group also commits to supporting, respecting, and protecting human rights, as detailed in the **Human Rights Policy**, which was revised in 2024 and approved by the Board of Directors in 2025. These principles correspond to the United Nations Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the principles of the United Nations Global Compact, the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, and the conventions of the International Labor Organization.

Acerinox preserves the safety, health, well-being, skills, and motivation of employees working daily in its factories, service centers, and offices. To effectively manage, mitigate, and prevent risks and negative impacts, and to enhance opportunities and positive outcomes, the Group has developed multiple policies that were reviewed in 2024 and approved by the Board of Directors in 2025.

The **Work Selection and Promotion Policy** establishes the basic principles for action in this area. The Company ensures that hiring is based on merit and ability. Once professionals join the Group, they are supported to stay and advance their careers.

The Group has an **Equality, Diversity, and Inclusion Policy, which applies to all companies.** This policy reflects the

principles of merit and ability aiming to foster an environment that guarantees equal opportunities, eliminates discrimination, and encourages diversity and inclusion for all employees. It adheres to the legislation of each country and aligns with international best practices. Acerinox has implemented various Equality Plans designed to lessen and bridge the gender gap through initiatives in recruitment, training, pay equity, and work-life balance, among other areas. These plans are active at Acerinox SA, Acerinox Europa, Roldán, Inoxfil, and Inoxcenter.

Regarding employee health and safety, the Group has a **Health, Safety and Environment Policy** focused on achieving zero accidents across its operations. Safety is one of the key values guiding Acerinox's efforts to solidify its leadership in the stainless steel and high-performance alloys manufacturing sectors.

Operational excellence is key to maintaining high health and safety standards. By clearly defining expectations and allocating necessary resources, Acerinox fosters continuous improvement through balanced, measurable objectives and goals, ensuring transparent, truthful, and reliable reporting to the markets. This policy encompasses everyone working at the Group's sites, including both employees and contractors.

The Group has implemented **management systems** based on the ISO 45001 standard for occupational health and safety, ensuring compliance with applicable local regulations. These systems define practices and procedures and establish both reactive and proactive performance indicators.

To effectively apply the corporate health and safety strategy and meet set objectives, the Group employs the **Cardinal Rules**. These rules establish fundamental criteria to prevent the most critical health and safety risks in operations. Developed from the experience gained at various centers, they aim to eliminate harm to employees, the environment, and the Group's assets.

Commitment to people

S1-2, S1-3

The talent and dedication of our team members are essential to Acerinox's growth and development. That is why maintaining continuous, two-way communication with employees and their representatives is crucial for the Group. Regular meetings are held with various works councils at our facilities, as well as with the Health and Safety Committees. While extraordinary meetings can be convened as needed by either party, these regular meetings occur at least annually.

The Group ensures this communication through a variety of channels, overseen by the Human Resources Department. The HR Departments at each site are tasked with ensuring these channels are operational and implementing any necessary measures.

Particularly, in 2023 the **Acerinox Insights** project was launched, which was further developed in 2024. Through regular conferences led by the heads of various departments, employees and other stakeholders can gain insights into our strategies in areas such as sustainability, digital transformation, and production processes, among others.

As part of our communication strategy, which emphasizes listening to the interests and opinions of our team members, we have enhanced the role of the **Innovation Committee**. This committee gathers all suggestions for continuous improvement through various channels that are accessible to all employees.

In addition, a personnel management platform was implemented to provide resources and tools for recruitment and selection to skills development, management by objectives, performance evaluation, and career and succession planning.

One of the resources made available to employees is a feature called Communities, a space designed to facilitate and promote communication between employees and the Company, where team members can stay updated on the latest news from Acerinox.

Another communication mechanism that drives the contribution to the company's and employees' strategy is the performance evaluation process within the framework of the **Management by Objectives** (MBO) program. Through this program, employees clearly understand the expectations for their roles, providing a comprehensive assessment of their performance.

This evaluation process ensures that each manager fully grasps the Company's objectives and those specific to their department, enabling them to effectively communicate these goals to their teams and offer ongoing guidance and support. To encourage continuous dialog between employees and their supervisors, the process includes intermediate checkpoints and informal follow-up meetings. These interactions provide employees with meaningful feedback and the opportunity to express their views to their supervisors.

One of Acerinox'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.

In this context, Acerinox has an **Employee Assistance Program** (EAP), a psychological counseling service to help resolve and manage situations that may affect them emotionally in their daily lives. Employees also have access to a psychologist in real-time, 24/7, along with monthly workshops on various health and wellness topics.

Lastly, all employees have access to the Group's **whistleblowing channel**, allowing them to report any irregularities or inappropriate behavior they observe. Through this channel, employees can also report any potential dangers or risks within the facilities or operations.

Details about how the whistleblowing channel operates are provided in the Business Conduct section of this report. Employees can also approach their various representation bodies, such as staff representatives or works councils, which convey their concerns and grievances to the company.

The Group hosts an annual **Health, Safety, and Environment Week**, organizing and promoting activities in our offices and production centers across all five continents. During this week, we organize daily training sessions tailored for each factory or production plant, focusing on the primary causes of accidents in the steel industry. This event serves as a platform for the company to engage with employees, allowing them to voice their concerns and opinions on the crucial topic of operational safety.

Effective communication, a critical component of the Acerinox model, relies heavily on the Human Resources departments. They play a key role in ensuring clear and smooth interaction between the company and its employees.

Measures to manage employee-related IROs

S1-3, S1-4, S1-10, S1-11, S1-13, S1-15

Acerinox's culture is rooted in its mission, vision, and values with guidelines and policies for people management and, specifically, the Group's commitment as a leading employer in its industry.

The primary negative impact Acerinox might have on employees relates to **health and safety**. The metallurgical industry, particularly in stainless steel and alloy manufacturing, involves complex processes that pose significant health and safety risks to workers, along with

inherent chemical and physical hazards that demand careful and thorough management.

Providing safe, healthy, and suitable working conditions is therefore a top priority for the Group. Managing these risks often involves complex measures. To address this, Acerinox has implemented a **Process Safety Management** (PSM) approach, which prioritizes the safety and integrity of people, the environment, assets, the community and its surroundings.

PSM integrates engineering, operations, and management expertise to prevent major accidents, such as structural collapses, explosions, fires, and toxic releases resulting from the loss of containment of energy or hazardous substances, including toxic gases, molten metals, chemicals, and hydrocarbons.

Acerinox relies on industry best practices to define its framework for action in Process Safety Management, drawing from organizations like World Steel, the European Center for Process Safety, and the Center for Chemical Process Safety.

Reactive Indicator for Process Safety

	2024	2023
Tier 1	0	1
Tier 2	11	37
PSIR	0.58	1.94

Process Safety Incident Ratio (PSIR) = (Tier 1+2 events)/(hours worked) * 1 x 10^6

Risk analyses are conducted whenever there are changes to facilities or operations, incorporating any preventive notifications or observations from employees. Raising awareness is a crucial preventive measure. The Group excelled in spreading the **Cardinal Rules**, organizing safety days at all centers, and consistently sharing information on preventive measures with the teams.

Similarly, as a measure to integrate the safety culture in operations, senior management and plant managers have objectives linked to improvements in accident rate performance.

The Group has also signed loans tied to sustainability indicators, one of which is improving the accident rate among employees. The specific goal is to enhance the LTIFR indicator by 2% compared to the previous year at the Acerinox Europa, NAS, Columbus Stainless and Bahru factories.

As a consequence of this focus, Acerinox must also address the challenge of absenteeism and its impact on the Group's productivity.

A key step in mitigating this risk is to thoroughly monitor all instances of absenteeism. Each case is reviewed individually, ensuring constant communication with employees and service providers to improve reporting and manage absenteeism more effectively.

Training and raising awareness among workers and middle managers are crucial parts of this process, enabling better handling of incidents and managing sick leave.

However, if an accident occurs leading to incapacitation or disability, despite existing controls and preventive measures, the Group has procedures in place for job relocation and role adaptation.

In addition to health and safety, the Group's priority is to attract and retain the best talent, promoting and implementing measures that promote equal opportunities, diversity, and inclusion of all professionals.

Acerinox recognizes the importance of implementing measures to capitalize on opportunities in the labor market of the sector.

Therefore, the Group is developing strategies to **attract and retain top talent**. Acerinox's employment model prioritizes job stability by emphasizing permanent contracts.

In 2024, the Group evaluated all positions using a certified system. This system provides an objective methodology for evaluating job positions and establishing the salary framework. This system enhances the organizational structure and increases transparency in all aspects of people management.

The Group promotes the attraction of young talent to ensure generational renewal. Initiatives like international internships for students and recent graduates are part of this effort. The Group has signed collaboration agreements with over 30 universities and training centers, enabling the integration of new talent into the company and helping young people transition from academia to the professional world.

Acerinox engages with young talent by participating in events and programs like the **Steel Challenge**, organized by the World Steel Association. In 2024, the Group participated for the first time through the Union of Steel Companies (UNESID). It is a learning and competition program that underscores Acerinox's commitment to excellence and talent development in the steel industry.

Furthermore, the Group has also focused on creating career development plans through the **Excellence Talent Program**, the aim of which is to enhance the skills of its professionals, preparing them to meet the Group's challenges and responsibilities. This program fosters alignment with Management by Objectives and therefore with the Company's strategy to ensure the successful performance of people and the business The program identifies the strengths and weaknesses of professionals. This is achieved via an online questionnaire that fosters dialogue between teams and managers.

Acerinox also has an internal vacancy portal that supports its employees' promotion prospects and professional development through mobility, ensuring that workers have a clear path forward aligned with corporate targets.

The **Leadership Academy** program has been implemented at the Group's factories, targeting both team managers and line managers, including all operational positions. This program started at the NAS factory in the US and has recently been implemented at Acerinox Europa and in South Africa. It focuses on developing management and leadership skills, with an emphasis on communication. It also addresses cultural change management and transformation, enhancing team management, and coaching skills.

Finally, promoting employee well-being is a priority for Acerinox, which strives to enhance **working conditions**. Acerinox is aware that its success depends on the work of its collaborators, and accordingly it ensures working and salary conditions worthy of the people who work for the company.

Specifically, it offers employees social protection against loss of income due to events that may occur in the employees' lives: illness, unemployment, work accidents, acquired disability, parental leave or retirement. The set of benefits that the company offers include life insurance, medical insurance, disability or invalidity coverage, pension fund, transportation compensation, study scholarships for workers and their children, assistance for death of family members, school and daycare assistance, subsistence allowances and parental leave.

Flexibility measures that encourage work-life balance. Such measures promote shared responsibility between men and women, making professional careers compatible with personal needs. These include promoting remote work, extending it to more employees across facilities, and offering flexible hours and continuous workdays, among others.

Another initiative is the installation of **breastfeeding rooms** in some factories and service centers, part of the Group's **Equality Plans**.

In general, Acerinox provides social protection for its employees against income loss due to life events such as illness, unemployment, work-related accidents, acquired disability, parental leave, or retirement.

Notably, the Group consistently positions itself as a leading employer in its companies, earning various certifications such as Great Place To Work, exemplified by its High-Performance Alloys Division, VDM Metals, in Germany.

Parameters and targets

S1-5

The Acerinox Group aims to increase female representation to 15% by 2030. In 2024, the Group reached 13.39% women, excluding Haynes which was not part of the scope when this target was set. See the Diversity section for more information on performance in this area.

In addition, a target of a 26% reduction in the **TIR** was set for 2024, but only an 8% reduction was achieved. Acerinox did however achieve its sustainable credit target related to reducing the **LTIFR** in its main factories (Acerinox Europa, NAS, Columbus Stainless, and Bahru Stainless) by reaching a rate of 3.56, surpassing the target of 4.26. Further information on the performance in this area can be found in the Health and Safety section.

No material objectives that warrant disclosure have been identified in the other areas of this topic. Our established processes are embedded within the departments responsible for daily compliance with policies in this area. Policies and actions are mainly monitored by analyzing the primary employee contact tools, as noted in previous sections.

Employee characteristics

S1-6, S1-7

All workforce data is reported as the number of people at the end of the financial year. Information on the average number of employees is included in the Consolidated Annual Accounts, Note 18.2.

Gender	Number of employees
Men	7,944
Women	1,349
Other	0
Not reported	0
Total employees	9,293

Country	Number of employees*
Germany	1,779
Spain	2,626
United States	3,192
Italy	54
Malaysia	50
South Africa	1,289

*Number of employees in countries with 50 or more workers.

	2024			
	Women	Men	Other (*)	Total
Number of employees	1,349	7,944	0	9,293
Number of permanent employees	1,307	7,781	0	9,088
Number of temporary employees	41	164	0	205
Number of non-guaranteed hourly employees	0	0	0	0
Number of full-time employees	1,274	7,926	0	9,200
Number of part-time employees	74	19	0	93

	2024					
	Africa	America	Asia	Europe	Oceania	Total
Number of employees	1,289	3,228	107	4,661	8	9,293
Number of permanent employees	1,285	3,207	88	4,502	6	9,088
Number of temporary employees	4	21	19	159	2	205
Number of non-guaranteed hourly employees	0	0	0	0	0	0
Number of full-time employees	1,289	3,218	106	4,583	8	9,204
Number of part-time employees	0	10	1	78	0	89

In 2024, 438 employees left the company; 126 were dismissals, and 312 were voluntary resignations. The 2024 **turnover rate** was 5.39%, This rate is calculated by dividing the total number of employees who left, both voluntarily and through dismissals, by the average number of employees.

In connection with the above, the Group has implemented **exit interviews** for employees leaving the Company. The purpose is to identify opportunities for improvement and to understand the reasons for staff turnover.

Besides its employees, Acerinox collaborates with external professionals who, despite not being part of the permanent workforce, add significant value to the business. This typically includes professionals from temporary employment agencies (TEAs). By the end of 2024, the Acerinox Group collaborated with 2,773 contractors.

Collective bargaining coverage and social dialogue

S1-8

The Group has **collective bargaining agreements** in all production centers in Spain, maintaining an open, fluid, and cooperative dialogue with the workers' representatives.

Meetings with workers' representatives are held regularly or whenever required to address a specific issue. These meetings address various issues, including working conditions, organizational matters, health and safety, and career development.

As of December 31, 2024, 60.36% of employees are covered by collective bargaining agreements (66.45% in 2023).

	Collective bargaining coverage		Social dialogue
Coverage rate	Employees - EEA*	Employees - Non EEA	On-site representation (EEA only)
0-19%		United States Malaysia	
20-39%			
40-59%		South Africa	
60-79%			
80-100%	Germany Spain Italy		Spain

*EEA: European Economic Area

Diversity

S1-5, S1-9, S1-11, S1-12

As previously noted, the Group's **Equality, Diversity, and Inclusion Policy** outlines the fundamental principles applied across all its companies. This includes procedures to prevent discrimination of any kind and to promote diversity.

Acerinox has developed **equality plans** negotiated with workers' representatives in all of its Spanish companies. **Monitoring Committees** overseeing these equality plans meet to ensure that the agreed measures are followed.

Each year, the Group continues to introduce initiatives to encourage the inclusion of women, particularly in professional roles and sectors where they are underrepresented, as well as to support people with disabilities.

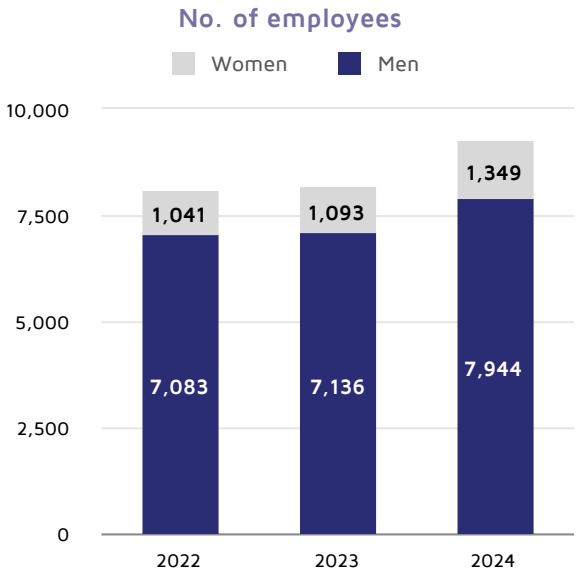
Efforts to boost female representation have already led to an increase in women working in maintenance roles within some of the Group's factories, specifically in operator categories where women have traditionally been less present.

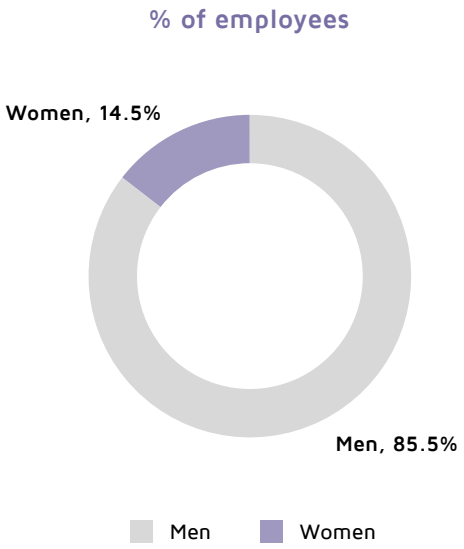
In addition, initiatives have been developed such as the Progresa Program, a training program aimed at women to strengthen their skills, both technical and leadership, with the aim of gaining access to positions of greater responsibility through personal and professional growth.

Acerinox has also participated in workshops and forums like **Women in Steel** and **Mujeres de Acero**. Women in Steel is a leadership workshop specifically for women, featuring regular sessions that provide collaborative guidance on common leadership challenges in an industry where positions are predominantly held by men. Meanwhile, Mujeres de Acero (Women of Steel) is a forum where women from companies within UNESID (the Spanish Steel Industry Business Association) gather to discuss current affairs and explore new topics.

Acerinox, via the Company's CEO Bernardo Velázquez, 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.

As of the end of 2024, the Acerinox Group consists of 7,944 men and 1,349 women. The total number of directors is 33, with 28 being male and 5 female. In the next management tier, there are 320 male managers and 82 female managers.





Regarding the age distribution of the workforce, multiple generations are represented, with a notable number of older employees.

	2024	2023
<30 years	1,099	983
30-50 years	5,023	4,645
>50 years	3,171	2,601
Total	9,293	8,229

Acerinox is also committed to including groups who face challenges entering the job market, such as persons with disabilities. The Group's strategy for **disability inclusion** focuses on two main areas:

First, enhancing employability and directly hiring persons with disabilities. By the end of the financial year, Acerinox employed 258 persons with disabilities (227 men and 31 women). Second, Acerinox engages in initiatives and programs that raise disability awareness and provide training for our employees.

Acerinox collaborates with various foundations to develop activities that improve the quality of life of people with intellectual disabilities. These initiatives include participation in workshops, team-building activities, promotion of teamwork, mentoring sessions and training programs for this group.

Training and skills development

S1-13

The Company promotes a training model that is adapted to the needs of each job position in order to enhance performance. The average number of training hours per employee in 2024 was 58.7 hours.

The Company has provided employees with an **online training catalog** through the talent management platform, with general content on skills, languages and systems management, so that each employee can plan his or her training path according to his or her needs. This content includes technical and specific training for the steel sector to ensure that know-how is kept up-to-date.

To speed up the identification of training needs, Acerinox invests through a digitized map of the skills associated with each position, which determines the training and certifications required at each point in the employee's career.

Average hours of training per employee

		2024	2023
Director	Men	4.0	7.9
	Women	7.5	18.9
	Total	4.8	11.4
Manager	Men	16.3	23.0
	Women	24.6	37.2
	Total	18.1	25.8
Analyst	Men	25.5	32.1
	Women	30.0	24.4
	Total	26.7	30.0
Specialist	Men	22.7	30.1
	Women	14.7	26.2
	Total	19.7	29.0
Administrative staff	Men	25.2	24.9
	Women	26.1	39.1
	Total	26.0	31.0
Operator	Men	102.4	130.0
	Women	109.3	162.5
	Total	102.9	131.5
Total		**58.7**	**73.5**

No. of employees trained

		2024	2023
Director	Men	22	15
	Women	7	7
	Total	**29**	**22**
Manager	Men	257	147
	Women	73	36
	Total	**330**	**183**
Analyst	Men	589	439
	Women	211	166
	Total	**800**	**605**
Specialist	Men	351	203
	Women	212	85
	Total	**563**	**288**
Administrative staff	Men	418	277
	Women	326	190
	Total	**744**	**467**
Operator	Men	4,371	4,016
	Women	336	197
	Total	**4,707**	**4,213**
Total		**7,173**	**5,778**

Training hours

		2024	2023
Director	Men	88	119
	Women	53	132
	Total	**141**	**251**
Manager	Men	4,185	3,381
	Women	1,795	1,340
	Total	**5,980**	**4,721**
Analyst	Men	15,024	14,109
	Women	6,338	4,043
	Total	**21,362**	**18,152**
Specialist	Men	7,956	6,116
	Women	3,106	2,229
	Total	**11,062**	**8,345**
Administrative staff	Men	10,525	6,892
	Women	8,510	7,430
	Total	**19,035**	**14,322**
Operator	Men	447,743	522,069
	Women	36,708	32,006
	Total	**484,451**	**554,075**
Total		**542,031**	**599,866**

In 2024, the DPO program was firmly established to manage both individual and overall performance of employees subject to evaluation. By the end of 2024, 50% of employees had participated in this performance evaluation, with 48% being men and 61% women.

No. of employees with performance assessment

		2024	2023	2022
Director	Men	23	17	14
	Women	5	5	5
	Total	28	22	19
Manager	Men	210	136	157
	Women	68	34	40
	Total	278	170	197
Analyst	Men	500	413	297
	Women	160	135	110
	Total	660	548	407
Specialist	Men	189	91	105
	Women	121	55	43
	Total	310	146	148
Administrative staff	Men	205	218	275
	Women	177	139	164
	Total	382	357	439
Operator	Men	2,567	1,654	1,171
	Women	213	84	80
	Total	2,780	1,738	1,251
Total		**4,438**	**2,981**	**2,461**

% staff subject to performance evaluation

		2024	2023	2022
Director	Men	85%	85%	78%
	Women	100%	100%	100%
	Total	88%	88%	79%
Manager	Men	71%	65%	75%
	Women	85%	74%	85%
	Total	74%	67%	73%
Analyst	Men	74%	70%	55%
	Women	78%	69%	68%
	Total	75%	70%	55%
Specialist	Men	59%	33%	38%
	Women	63%	57%	42%
	Total	61%	39%	32%
Administrative staff	Men	35%	38%	48%
	Women	44%	36%	43%
	Total	39%	37%	42%
Operator	Men	44%	32%	22%
	Women	65%	39%	38%
	Total	46%	32%	22%
Total		**50%**	**40%**	**30%**

Work-life balance

S1-15

Acerinox recognizes the importance of work-life balance for its workforce. As a result, the Group has set as one of its strategic goals upholding work-life balance rights and related leave.

In addition to European countries like Sweden, Portugal, Germany, and the United Kingdom, as well as the USA, where 100% of employees are entitled to family leave, workers in other regions such as Colombia, Peru, Singapore, and India have various recognized family rights and leave options that support work-life balance and shared responsibility.

A total of 9,132 employees were eligible for parental leave. Of them, 241 took maternity and paternity leave, after which the return-to-work rate (201 men, 40 women), namely 95% (98.5% men and 77.5% women) and retention rate, namely 73% (71% men and 85% women) remained high.

Remuneration (pay gap and total remuneration)

S1-16

Acerinox's remuneration model promotes fair and transparent pay that is not skewed by any discriminatory bias. At Acerinox, remuneration consists of fixed and variable components. The fixed component is based on an employee's experience, responsibility, and role within the company. Meanwhile, the variable component relies on indicators tied to the Group's performance.

Relying on these procedures ensures that **variable compensation** is determined through objective indicators. The program avoids subjective evaluations, thus minimizing any potential for discrimination.

The Group is thus committed to **equal pay**. To actively monitor the **wage gap**, it assesses the salary differences between male and female employees.

The wage gap was calculated as the average gross hourly pay of salaried men minus the average gross hourly pay of salaried women, divided by the average gross hourly pay of salaried men. For this purpose, we have taken into account the number of hours worked by men and women reported in the calculation of accident rates (S1-14).

The pay gap between men and women in 2024 stood at 6.74%. This difference is primarily due to the later addition of women to the workforce and their under representation more broadly in the industry. These factors have an adverse effect on women in terms of receiving salary items associated with concepts such length of service or shift work.

The total annual remuneration of the highest-paid individual (excluded from the calculation) is 32 times the average total annual remuneration of all other employees.

Health and safety

S1-5, S1-14

In 2024, a colleague tragically lost their life while working on the Group's premises. This event prompted the Company to strengthen its commitment to safety, emphasizing it as a core value for the Group and all its workers.

In 2024, accident rate data indicated stagnation compared to 2023. While the number of accidents resulting in sick leave rose slightly, with an LTIFR of 3.83 compared to 3.42 in 2023, the total incident rate (TIR) decreased to 19.12 from 20.99 in 2023. Despite this 8.9% reduction aligning with the ongoing downward trend, the target reduction for 2024 was not achieved. However, the severity of incidents that resulted in sick leave saw a significant drop, declining from 0.32 in 2023 to 0.18 in 2024.

Additionally, 90% of the Group's employees work in facilities that have occupational health, safety, and welfare management systems certified under the ISO 45001 and ISO 14001 standards.

	2024	2023
Number of employees covered by a health and safety management system	8,448	7,485
Percentage of employees covered by a health and safety management system	90.91%	90.96%

Reactive Health and Safety Indicator Table (Lagging): 2024 vs 2023

3.83

LTIFR* x 1,000K

8.25

TRIR** x 1,000K

	2024	2023
LTIFR*	3.83	3.42
TRIR**	8.25	7.92
TIR***	19.12	20.99

*LTIFR: Lost time injury frequency rate
**TRIR: Total recordable injury frequency rate
***TIR: Total injury frequency rate
**** Including data on hours worked by VDM Germany contractors, not included in the determination nor in the calculation of the 2024 target.

Own workforce accident rate

	2024			2023			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Hours worked	11,874,598	1,968,994	13,843,592	12,594,688	1,871,953	14,466,641	12,921,980	1,801,490	14,723,470
Recordable accidents*	118	6	124	120	10	130	125	3	128
Fatal accidents	0	0	0	0	0	0		0	0
Accidents with leave	58	2	60	54	5	59	61		61
TRIR x 1,000,000	9.94	3.05	8.96	9.53	5.34	8.99	9.67	1.67	8.69
LTIFR x 1,000,000	4.88	1.02	4.33	4.29	3	4.08	4.72		4.14
Absenteeism hours**	771,970	63,362	835,332	790,770	123,681	914,451	668,476	104,554	773,030
Severity rate = (no. of days lost / no. of hours worked)*1,000	8.13	4.02	7.54	7.85	8.26	7.90	6.47	7.25	6.56
Absenteeism rate (%)	6.50%	3.22%	6.03%	6.28%	6.61%	6.32%	5.17%	5.80%	5.25%
Work-related illnesses	9	0	9	7	0	7	0	0	0
Fatalities due to work-related illnesses	0	0	0	0	0	0	0	0	0

*There are no excluded workers.
** Data collected at business unit level and consolidated at corporate level.

Accident rate of contractors

	2024			2023			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Hours worked	4,273,346	924,029	5,197,375	4,617,429	497,842	5,115,271	3,488,687	408,913	3,897,600
Recordable accidents*	33		33	21	4	25	50	7	57
Fatal accidents	1	0	1	0	0	0		0	0
Accidents with leave	13		13	7	1	8	19	3	22
TRIR x 1,000,000	7.72		6.35	4.55	8.03	4.89	14.33	17.12	14.62
LTIFR x 1,000,000	3.04		2.50	1.52	2.01	1.56	5.45	7.34	5.64
Fatalities due to work-related illnesses	0	0	0	0	0	0	0	0	0

*Total accident data include fatalities, accidents with leave, restricted work cases and minor injuries. The severity index is not included.
** Data on contractor absenteeism and contractor occupational diseases are not recorded.
*** Including data on hours worked by VDM Germany contractors.

Incidents, complaints and severe human rights impacts

S1-17

In 2024, 56 complaints were received. Investigations revealed that 68% involved breaches of internal regulations or applicable laws. Once they had been analyzed, it was found that there had been no human rights violations.

Workers in the value chain

Strategy

SBM-2, SBM-3

Sustainable supply chain management is a priority for Acerinox and an opportunity to improve business relationships, increase efficiency, anticipate future contingencies, and strengthen our corporate reputation. This commitment requires collaboration with ethical, reliable, and sustainable suppliers that form a robust, resilient supply chain. The result is the strengthening of customer confidence and a positive impact on society in general and the environment.

Acerinox integrates sustainability as a cross-cutting value in its purchasing processes and supply chain supervision to adapt to the growing expectations and requirements of its main stakeholders.

The Group's supply chain is divided into direct and general procurement. The former includes raw materials used in the manufacture of the final product, while the latter include all services and materials necessary for the manufacturing process. Both lines follow the same policies, processes and risk screening for supplier approval and evaluation.

Acerinox collaborates with more than 7,000 suppliers worldwide. This is why good supply chain management is essential for the Group as a leading industrial company in the manufacture of stainless steel and high-performance alloys. Good management optimizes operations, strengthens commercial relationships and, above all, become a driver of growth.

In this commitment to sustainability, purchasing management plays a key role. Its mission is to acquire the goods and services we need in the most efficient, sustainable manner possible. This translates into cost optimization, minimization of environmental impact and promotion of the social well-being of value chain workers. With this mission in mind, the strategy for responsible supply chain management was designed. Its goal is to ensure that purchasing decisions help protect human rights and mitigate negative environmental impacts, as well as ethical issues in operations.

The employees of the companies in our supply chain belong mainly to the following functional units: production, research and development, sales, marketing, human resources, and accounting and finance.

The 2024-2028 Purchasing Master Plan is built on five pillars:

1. Process optimization: search for operational efficiency and cost reductions in a complex, uncertain environment with increased regulatory requirements.
2. Digitization and transparency: boosting digitization to ensure traceability, automation of transaction-related

activities, massive data management and informed decision making.

3. **Collaborative innovation and joint growth**: collaboration with suppliers to develop innovative solutions that enhance and generate value for all players in the supply chain.
4. **Integrated risk management**: integration of ESG risk management into operational risk management. This makes it possible to identify, evaluate and mitigate risks that may impact our business, reputation, and the environment in which the Group operates.
5. **Talent development:** investment in team training to ensure they have the skills and knowledge needed to increase productivity and adapt to an increasingly complex market and regulatory environment.

The dual materiality analysis shows that the Group may have an impact on the safety of value chain workers due to the possibility of accidents in the course of its business.

On the other hand, Acerinox can have a positive impact on the lives of its workers and the environment by implementing ESG criteria in various areas. For example, in supplier certification, ESG audits and action plans for suppliers with low ratings or risks in these areas. The Company can also make a positive impact through training and awareness programs.

At the same time, working with suppliers that violate human rights could pose a reputational risk.

Incident, risk, and opportunity management

Policies related to value chain workers

S2-1

The Group's procurement activities are guided by the rules and principles that should govern the performance of all its companies, addressing the management of impacts, risks and opportunities on value chain workers.

Since 2021, and after its 2024 review and approval by the Board of Directors in 2025, the Group has a **sustainable purchasing policy** aimed at consolidating suppliers, maintaining stable and lasting relationships, sharing ethical criteria, and promoting sustainable value creation. It includes general principles for the procurement of goods and services covering economic, competitive, social and environmental matters, as well as setting out the basic goals and principles of action for all Group companies.

Acerinox has **general conditions for procuring goods and services** that regulate the relationship between customer and supplier to provide services and acquire goods. These hold that the supplier must guarantee quality and compliance with labor, tax, safety and environmental regulations. All this draws on initiatives such as:

- The 10 Principles of the United Nations Global Compact, based on the Universal Declaration of Human Rights.
- The ILO Declaration on Fundamental Principles and Rights at Work.
- The United Nations Convention against Corruption.

These conditions ensure a solid collaboration framework aligned with the quality, sustainability and ethical standards that define the commercial relationship between the Group and its suppliers.

In addition, the **Code of Conduct for business partners**, revised in 2024, establishes clear standards for labor, environmental, and human rights, as well as business ethics. It also sets out Acerinox's principles and demands. This code is a fundamental requirement for any contractual relationship within the Group, to which all business partners must adhere.

The principles and requirements included in it are based on the Acerinox code of conduct and good practices, the Group's general contracting conditions, the general purchasing policy, and other corporate policies. At the same time, they are aligned with the aforementioned principles, as well as with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. In 2024, a total of 1,676 suppliers signed this guidance.

If requested, the guidance also states that business partners will determine whether any of the supplied products contain materials classified as **conflict minerals**. In this regard, Acerinox's due diligence efforts and processes comply with the relevant parts of the guidance.

The Group's procurement activities are also guided by the principles set out in the **internal instruction on the prevention of money laundering**, which establishes the minimum requirements of any process for the purchase of goods and services.

The development and approval of internal **instructions on supply chain risk management** that describe supplier risks at the Group. This management includes the validation of new suppliers and continuous risk monitoring for those interested in working and collaborating with the Company.

This instruction determines that when actual or potential adverse effects on sustainability are found in the course of verification activities, corrective actions will be considered. These may ultimately lead to the suspension or termination of the contractual relationship.

Respect for human rights is, without doubt, a priority. The General Human Rights Policy outlines the Group's commitments in this area and was revised in 2024 before getting approval from the Board of Directors in 2025. This revision ensures alignment with new operational requirements and reinforces our responsible approach to human rights.

The purpose of the Policy is based on the Group's Code of Conduct and Good Practices, the General Sustainability Policy and, in particular, the Sustainability Due Diligence Policy. The Policy is aligned with various international standards:

- The UN Universal Declaration of Human Rights,
- The UN Guiding Principles on Business and Human Rights,
- The OECD Guidelines for Multinational Enterprises, the principles on which the UN Global Compact is based,
- The Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy and the ILO Conventions on Fundamental Principles and Rights at Work,
- The Sustainable Development Goals.

This policy applies to all the companies that make up Acerinox and binds all the governance bodies of the Group and their companies, employees and, as appropriate, the persons or entities that provide services or supply goods to Group companies.

Beyond this policy, we are developing a map of our value chain to illustrate the countries where our suppliers operate, which we plan to complete by the end of 2025.

Nevertheless, using our third-party risk management platform, we have identified suppliers operating in countries with a high risk of child labor. We have already audited those suppliers we deem strategic and closely monitor them through the platform.

Commitment to value chain workers

S2-2

Acerinox keeps its suppliers and value chain workers informed through various communication channels.

The main information channel is the Group's website which, through the new supplier portal, details the purchasing process and requirements for commercial partners. Their code of conduct is available on this portal.

They can also contact Acerinox through the supplier section of our website, in the Registration section. In the event that someone needs to report any irregularity or inappropriate conduct, the Company offers direct access to a confidential and secure whistleblowing channel. The Group raised the visibility of both channels to improve service and help people submit queries or report violations.

We have also developed a program to assess the satisfaction of suppliers in our value chain. For this purpose, we have used Columbus as a pilot factory. It has added a survey under the signature line of each of its emails. During 2025, satisfaction surveys will be launched at the rest of our group companies.

Through the same e-mail channel, the Group's Purchasing Department communicates relevant information to suppliers. In 2024, as part of the digital transformation of purchasing management, a memo was sent thanking suppliers for their efforts to adapt and integrate to the new systems.

To ensure that stakeholders are aware of and trust our whistleblowing/communication channels, questions about the effectiveness of the whistleblowing channel and communication channels with Acerinox will be asked in our ESG audits and in our supplier satisfaction surveys.

To avoid retaliation, the section "Protection principles and parameters" contained in the "Policy approving the basis of the whistleblowing system of the Acerinox Group, its organic management and the rights and guarantees of the persons concerned" states that members of the organization are prohibited from retaliating against bona fide whistleblowers, including threats of retaliation and attempted retaliation.

The Company organized its first Suppliers Days in Germany, which took place on September 26, 2024. There is a plan in the purchasing strategy to carry out one per year in each country where we have large factories. These meetings with strategic suppliers promote active and transparent communication as a form of bidirectional, more direct and personal contact.

Suppliers must provide value through innovation, sustainability, technological improvements, and exceptional service, always acting with the highest ethical standards and collaborating closely with Acerinox.

In 2024, a total of 43 audits were carried out on critical suppliers, classified in category A or B. These audits were conducted by certified external auditors, who issued detailed reports with the final results and proposed action plans.

All audit reports have been transferred to the GoSupply platform, where they are managed in collaboration with the suppliers. This platform facilitates the implementation of corrective actions, closure of evidence, and issuance of improvement orders and action plans.

When suppliers receive a low rating in these audits, the supplier is monitored via improvement plans to resolve issues and enhance outcomes.

The factory's purchasing manager and the audited company are always responsible for ensuring the completion and success of these action plans, securing thorough tracking of the proposed improvements.

Health and safety, fundamental values for the Group, cover all the people who work in our facilities. The Company proactively mitigates the risks inherent to its activity through open and constant communication with its service companies and suppliers. Acerinox has a variety of specialized tools, such as ISNetworld and Achilles, to

comprehensively assess the safety, quality, and sustainability performance of its business partners.

Measures to manage impacts, risks, and opportunities (IROs) related to value chain workers.

S2-3, S2-4

To implement the purchasing master plan and adequately manage the impacts, risks, and opportunities identified in the dual materiality analysis, the Group adopted a comprehensive approach ranging from updating tools to improving supplier evaluation and training processes.

As previously explained, the main negative impact that Acerinox may cause on value chain workers is related to health and safety. In this regard, the Group considers process safety as a critical aspect of operations in order to prevent industrial accidents.

To this end, Acerinox applies the process safety model of WorldSteel, the international industry association for iron and steel, which is based on six principles:

- Ensuring commitment to process safety management.
- Establishing a hazard assessment and risk analysis program.
- Implementing and maintaining a risk monitoring and management system.
- Striving for excellence and learning from experience.
- Using continuous improvement to ensure the effectiveness of process safety management.
- Maintaining a sense of vulnerability in the safety management of each process.

When changes occur in facilities or operations, risk analyses are performed. Potential hazards are also reported through preventive observations and the whistleblowing channel. Acerinox monitors all safety incidents in its operations and investigates and implements the necessary corrective and preventive measures.

In addition, the Group is making an effort to reduce absenteeism. To this end, it implements an exhaustive follow-up of all cases and maintains constant communication with accident insurance companies to achieve better case reporting and management.

In this regard, it is also important to raise awareness among all workers at our facilities, including those in the value chain. This is the case of the HSE Cardinal Rules, which provide a framework for ensuring safety as a common value for employees and contractors.

Likewise, Acerinox develops detailed emergency plans and offers continuous training and education programs to contractor employees. In this way, we promote a proactive safety culture in order to operate efficiently and safely.

Finally, as a measure to promote the integration of the safety culture in operations, senior management and plant managers have objectives linked to improvements in accident rate performance.

The implementation of the purchasing master plan will have a positive impact on value chain workers. To this end, based on the lines of action in this area, the measures implemented fall into the following fundamental areas:

First, rigorous and digitized supplier evaluations under ESG criteria during the approval phase. The questionnaires include questions related to key environmental, human rights, compliance, social impact and governance matters. These include environmental preservation, child labor, slavery, diversity, freedom of association, etc. The completeness of the degree of evaluation of each supplier is determined by the level of risk, defined according to operational dependence, country risk, and industry type

In 2023 and 2024, these evaluations were performed on Type A (Tier-1) suppliers. In 2025, this group of suppliers will continue to be evaluated with the goal of expanding the scope. In 2026, Type B (Tier-2) suppliers will be evaluated.

The evaluations are conducted through a specialized digital platform. In order to move forward with process digitization and optimization, in 2025, we will work to connect this tool with the supplier portal and enterprise resource planning software in order to unify all the information for each supplier in a single platform including operational, financial, sustainability and ethics information. In 2024, the Group had 7,335 active suppliers. Of these, 1,520 suppliers, accounting for EUR 4,396 million in expenditure, underwent an online ESG assessment. Among them, a total of 346 are strategic suppliers.

The company is dedicated to developing improvement plans for suppliers with low ESG scores, aligning with the identified risk appetite.

In parallel to the inclusion of ESG criteria in the approval process, regular ESG and capacity audits are conducted once the supplier becomes a business partner of the Group. Type A (Tier-1) suppliers will be audited every two years. These audits are conducted by the local purchasing team or accredited external auditors. In 2024, 43 audits were completed, 27 of which targeted strategic suppliers. This was in addition to the 20 audits conducted in 2023, with 14 focusing on strategic suppliers.

Also noteworthy are the joint action plans, which are established between the supplier and the company, based on the completed ESG assessments. Specifically, in 2024, 20 action plans were established as a result of these audits.

On the other hand and in order to ensure coordinated management, a global third-party risk committee was created, made up of the heads of the company departments related to these matters. This committee is responsible for monitoring its contribution to ESG objectives and identifying associated risks.

As part of the Group's commitment to the workers in its value chain, training and development programs were also launched for type A suppliers to enhance their sustainable practices. This included specialized training, such as the Sustainable Supplier Training Program, led by the Spanish Global Compact Network, which aims to educate SMEs on sustainability practices for large companies participating in the initiative. Through this program, 92 of the Group's suppliers have been trained in sustainability-related issues.

Recognition as a driving force behind the Global Compact's **"Sustainable Suppliers"** training program.

Acerinox also implemented other practices to promote responsible purchasing, such as the provision of sustainable loans to suppliers that accredit actions related to social or environmental improvements.

The Group can also have a positive impact on the lives of value chain employees and on the environment by implementing ESG criteria in the supplier approval process, conducting ESG audits, and establishing action plans for suppliers who score poorly on these issues or for whom risks in these areas are detected, as well as through training and awareness programs.

Parameters and targets

S2-5

To measure the impact of sustainable procurement initiatives, the Group has designed key performance indicators (KPIs) to be implemented in the coming years. Regular monitoring of indicators by local and global purchasing teams will enable the Group to assess progress in key areas such as business ethics, environmental management, and transparency. These indicators are:

- **Percentage of suppliers that have signed the Code of Conduct.** This indicator helps ensure compliance with ethical standards throughout the supply chain.
- **Number of suppliers evaluated under ESG criteria.** By assessing environmental, social and governance risks, the Group identifies the profile of its suppliers, as well as the areas of greatest material impact, in order to prioritize improvement actions.
- **Percentage of suppliers audited on-site.** These audits allow us to obtain and validate detailed information from suppliers and to confirm whether the online evaluation processes are effective. This contrast is fundamental when adjusting and redefining the Group's evaluations, criteria, initiatives, and policies.
- **Percentage of suppliers that have implemented improvement plans based on audit and evaluation recommendations.**
- **Percentage of action plans in progress and implemented.**
- **Number of supplier training programs and number of suppliers trained.**

Following the plan for audits of critical suppliers, an increase in the number of audits is projected for the two following years:

- 2025: approximately 100 audits, on-site and online.
- 2026: approximately 203 audits more, on-site and online.

This multi-year planning takes the form of an estimated 346 strategic suppliers audited over the 2024-2026 period. Of these, 43 have already been assessed this year.

This audit plan seeks to improve transparency, efficiency, and sustainability within our supply chain, ensuring that our strategic suppliers meet the required standards and contribute to the responsible carrying-out of business.

Number of suppliers and expenditure

	2024		2023	
	Total	% local	Total	% local
Number of suppliers	7,335	78.49 %	7,702	78.59 %
Expenditure (EUR thousands)	4,396,210	63.36 %	4,966,503	59.12 %

Number of suppliers evaluated with ESG criteria

	2024		2023	
	Total	%	Total	%
Strategic suppliers (category A)	346	4.72 %	267	3.47 %
Strategic suppliers evaluated with ESG criteria	43	12.43 %	54	20.22 %

Customers

Strategy

ESRS 2 SBM-2

Acerinox must address the risks associated with selling its products. The main challenges involve product quality, delivery timelines, and overall customer satisfaction. Delays in deliveries, raw material shortages, supply chain disruptions, and the potential to not meet the expected quality standards can hinder the Group's ability to fulfill its commitments. These issues can significantly affect the Company's reputation, lead to customer loss, and ultimately impact its profitability.

Customer feedback is crucial for identifying and mitigating these risks. Acerinox gathers valuable insights into customer needs and expectations through surveys, meetings, and direct communications from its service centers and subsidiaries. This information helps improve product quality, streamline processes, and strengthen relationships.

Customer satisfaction is a strategic priority for Acerinox. Our customers' input drives strategies that help us identify risks and develop action plans to enhance quality and service. The Group is currently focused on developing and offering new products like Lean Duplex and EcoACX®.

ESRS 2 SBM-3

We are deeply engaged in a complex value chain, supplying stainless steel and high-performance alloys to a variety of sectors:

- Construction industry: products for diverse applications, ranging from residential and commercial buildings to infrastructure projects. Our clients in this sector primarily include manufacturers of elevators, chimneys, and ventilation systems, as well as distributors of construction materials.
- Home appliances: steel for manufacturers of appliances such as refrigerators, washing machines, and dishwashers.
- Transportation: production of components for both passenger and freight vehicles. Our clients include automobile manufacturers, railroad car producers, and heavy transportation equipment companies.
- Industrial equipment: supplying the chemical, pharmaceutical, food, and paper industries, which use the Group's products to make equipment and machinery.
- Steel processors: providing stainless steel to companies that transform it into value-added products like precision parts, profiles, or tubes.
- Metal products: supplying manufacturers of catering equipment, cutlery, and household goods, among other subsectors.
- Other: such as the aerospace sector.

Beyond end customers in each sector, the Group relies on a network of key distributors for distribution. These intermediaries purchase, store, and distribute products to their own clients, which include both manufacturers and other distributors. They can either store or process the materials, based on their needs.

Thus, Acerinox's customers serve as intermediate links in the value chain, transforming or distributing products before they reach the final consumer.

Incident, risk, and opportunity management

Policies

S4-1

The General Conditions of Sale provide the legal foundation for all of Acerinox's commercial transactions. They specify the terms and conditions related to buying and selling products, including payment terms, applicable taxes, and potential price changes. They also outline delivery times and locations, as well as each party's responsibilities in the transportation process. These conditions cover the quality standards of the products sold, the guarantees offered to customers, and the limits of Acerinox's liability in cases of contract breaches or product defects.

By doing so, the General Conditions of Sale ensure a clear and transparent legal framework for all commercial activities, protecting the interests of both customers and the Group.

The Code of Conduct and Good Practices demonstrates the Group's commitment to its customers in various areas, such as meeting all quality requirements and standards in product manufacturing. The Code also emphasizes forming business relationships based on mutual interest and a continuous service-oriented approach, with a strong commitment to honesty and professional responsibility. This code fosters smooth interactions, streamlines service processes, and reduces unnecessary paperwork.

Customer commitment

S4-2, S4-3

Acerinox is dedicated to continually improving the quality of our products and services and strengthening relationships with our customers. We conduct a thorough analysis of satisfaction surveys, incidents, and complaints received. This data helps us assess customer satisfaction by examining feedback and informs our medium- and long-term action plans to enhance customer relations and mitigate risks.

The Group launches annual customer satisfaction surveys covering most of the customers it works with, the main parameter collected being the NPS (Net Promoter Score).

The goal of these surveys is to assess three main areas: customer satisfaction, brand image, and strategic market positioning.

Customers have one month to respond to the survey, and weekly follow-ups are made with those who have not responded.

Once their responses have been collected, a final report is prepared with the main results of the metrics broken down by geographical area, also highlighting significant changes from the previous year. Based on these results, specific action plans are designed and implemented by the Sales Department.

The Group also manages customer complaints daily to address issues promptly and take short-term actions. This process enables us to quickly coordinate responses to arising problems, providing early resolutions.

By analyzing data over short, medium, and long terms, we can identify key areas of opportunity and risk, and develop strategies to minimize negative effects while maximizing positive ones. Findings indicate that customers are primarily concerned with product quality, delivery times, and incident management.

All customer complaints (including commercial subsidiaries) are processed, managed, and resolved individually in the ERP systems of the Group's billing companies.

Complaints are classified according to their nature, divided into technical and commercial. These are managed through complaint tickets, with 100% traceability in terms of dates, assigned departments, and authorization chains, each with its corresponding attachments or justificatory material.

For technical complaints where the origin or incidence is due to a manufacturing problem. In such a case, the department assigned to the complaint is the factory's Technical Department. Sales complaints that come from sales issues are generally resolved by the Sales Department (this section includes complaints about materials damaged during transport).

Like all other stakeholders, the Company's customers have access to a whistleblowing channel to report queries or violations.

IROs management measures

S4-4

Acerinox implements various processes to enhance incident management and ensure customer satisfaction.

One approach involves maintaining open and transparent communication channels through the Sales Network and Sector Managers.

To optimize incident management and keep our customers satisfied, Acerinox relies on an internal and external communication system that prioritizes transparency and accessibility.

A key element of this system is the commercial network, which establishes direct and seamless communication with our sales representatives. This offers customers a straightforward and dependable method to report any issues or share their concerns. Through this two-way communication, we can detect problems early, provide flexible and personalized responses, and maintain close relationships with each customer. The sales network also assesses the best way to resolve issues, utilizing resources like our complaints channel or sending a sales technician from the subsidiary or factory if needed.

We have designated Sector Managers as points of contact for each sector. This ensures that experts in the field address problems, escalate them when necessary, and implement corrective measures efficiently, while considering the insights, knowledge, and experience of the factory's Technical Department.

There are also protocols in place for managing incidents and ensuring product quality. The incident response protocol includes three phases:

1. Immediate logging of all incidents and complaints in a centralized system (ERP).
2. Assigning responsibility to a specific manager.
3. Escalating more complex incidents to the appropriate organizational levels.
4. For every type of complaint, there is traceability from its initiation to its resolution. Each complaint has therefore a personalized action plan to ensure the best decision is made to prevent recurrence.

To maintain material quality and ensure excellent customer service, all service centers undergo thorough audits based on ISO 9001 Quality Management standards. These audits cover all material transformation processes and the operations related to the workshop.

In centers where additional protocols are necessary due to specific activities, these measures are implemented:

- Customization and precise adjustments: each product is tailored to meet the client's specific needs.
- Inspection and quality assurance: every item is checked before shipping to ensure it meets the highest quality standards.
- Prompt and effective resolution of any defects or damages.
- Material availability and service continuity: maintaining a large inventory of alternative materials to ensure uninterrupted supply and minimize wait times, even in unexpected situations.

To prevent delivery delays, Acerinox maintains both buffer stocks and consignment stocks.

Buffer stocks enable the company to quickly respond to changes in demand or unexpected disruptions in the supply

chain, allowing it to meet scheduled deadlines. Consignment stocks ensure that customers don't experience stockouts. More materials are shipped to customers for storage at their facilities, which provides them with enough resources to continue production without interruptions, even if unforeseen events occur.

If a delay in delivery cannot be mitigated, Acerinox compensates the customer financially and conducts a root cause analysis, i.e. a detailed investigation to identify the reasons behind the incident. Next, specific corrective actions are implemented to prevent recurrence in the future. The final step involves following up with the customer to ensure the issue has been resolved.

Parameters and targets

S4-5

No material objectives have been identified that warrant disclosure. The established processes are embedded within the departments responsible for daily compliance with corporate policies in this area. Policies and actions are mainly monitored by analyzing the primary customer contact tools, as noted in previous sections.

7.4 Governance information

Business conduct (ESRS G1)

Governance: the role of the administrative, supervisory and management bodies

GOV-1

Acerinox has built its operations on the principles of good governance, ethics, and responsibility since its inception, consistently ensuring compliance with and respect for the law. These principles have been central to our journey and are more crucial than ever in addressing a business environment that is continuously evolving due to globalization, technological advancements, and sustainable development.

The Compliance Department is tasked with creating an effective, high-level compliance management system that encompasses the entire organization to meet regulatory and legal standards. This includes adhering to commitments, Codes, and the best international standards of Good Corporate Governance and Ethics, as well as meeting the expectations of the Group's stakeholders. The goal is to foster Acerinox's culture and avoid or reduce the risk of penalties, fines, or any reputational harm due to non-compliance with applicable laws.

The Compliance Department identifies compliance obligations and integrates them into existing policies, procedures, and processes. It also provides continuous training, advice, and awareness programs, ensuring all employees have access to ethics and compliance resources. The department's functions include identifying and managing compliance risks, handling complaints or feedback received through various available channels, and establishing performance indicators in these areas.

The Compliance Department maintains direct communication with the Audit Committee. This Committee's responsibilities include managing and controlling risks, overseeing the prevention and compliance model, and supervising relevant policies. Key among these policies are those within the compliance function's regulatory framework, the monitoring of compliance and data protection efforts, and evaluating communications received via the whistleblowing channel.

With regard to this last point, Acerinox has a Code of Conduct Monitoring Committee, which reports to the Board of Directors through the Audit Committee, which oversees compliance with the Code and its internal dissemination among employees. It also interprets the Code, provides a whistleblowing channel for gathering information about compliance, and manages and oversees the processing and resolution of related cases in accordance with internal regulations.

Incident, risk, and opportunity management

Business conduct policies and corporate culture

G1-1, G1-3

As a multinational operating in various countries, Acerinox navigates a diverse and complex regulatory landscape. This requires a steadfast commitment to integrity to minimize legal, reputational, and economic risks, ensuring that the Group's operations uphold the highest ethical and regulatory standards.

To ensure ethical and responsible business practices, the Board of Directors has approved general policies governing these areas, along with a control system for detecting, preventing, and mitigating criminal activities.

In 2016, the Board also approved a Code of Conduct and Good Practices, which sets mandatory rules and standards for professional behavior that all employees and managers must follow in their activities. The aims of the Code are:

1. To regulate which behaviors are permitted and prohibited within the Group.

2. To establish the ethical principles and general guidelines that should guide the actions of Acerinox, its employees, and administrators, both in their interactions with each other and with stakeholders, whether directly or indirectly.

In 2025, the new compliance Master Plan will be rolled out, prioritizing the update of the Code. This initiative seeks to make the Code a clear guide for the Group to operate with integrity, respect human rights, engage in dialogue with stakeholders, adhere to legal requirements, provide a safe work environment, combat corruption, and maintain social and environmental responsibility.

The Code of Conduct Monitoring Committee, which reports to the Board of Directors through the Audit Committee, supervises compliance with and internal dissemination of the code among employees, interprets it and also controls and supervises the processing of each case and its

resolution, in accordance with the internal regulations that regulate it.

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

The Group also has a specific code of conduct for business partners, which establishes the duties and commitments of suppliers. Non-compliance may entail a range of consequences in the contractual relationship with Acerinox.

Built around the Code of Conduct as a backbone, Acerinox approved various development rules in the areas of compliance and corruption and bribery prevention:

- Crime prevention model
- Internal instructions on gifts and invitations
- Internal instruction on conflicts of interest
- Internal instruction on bribery prevention
- Internal instruction on competition
- Internal instruction on good financial practices
- Internal instruction on confidentiality
- Internal instruction on third-party risks
- Internal instruction on the commission of crimes

Whistleblowing channel

The company also offers a whistleblowing channel for confidential reporting of inappropriate behaviors or actions based on applicable regulations, the Code of Conduct, and other Group policies and procedures. This communication tool, available to all employees and external stakeholders, enables them to seek guidance on applying the organization's policies and practices for responsible business conduct.

The whistleblowing channel is a secure platform that complies with personal data protection regulations and safeguards the rights and confidentiality of whistleblowers, related third parties, and those affected by the complaints. It was adapted to Law 2/2023, on the protection of persons who report regulatory violations and the fight against corruption. These regulations incorporate the Whistleblower Protection Directive into Spanish law.

The policy governing the whistleblowing channel explicitly prohibits retaliation, defined as any act or omission prohibited by law or any unfavorable treatment, direct or indirect, that puts individuals at a disadvantage in their work or professional environment for having submitted a complaint.

Communication channels of the whistleblowing channel:

Company websites

https://www.acerinox.com/en/accionistas-e-inversores/gobierno-corporativo/compliance/canal-denuncias/index.html

https://www.northamericanstainless.com/governance/

https://www.columbus.co.za/

https://www.bahrustainless.com/enCorporateResponsibility/ethics-and-transparency/

https://www.vdm-metals.com/en/company/about-vdm-metals/corporate-responsibility

Telephone numbers

Post

Calle Santiago de Compostela, 100.

28035 Madrid (Spain)

Email

canaldedenuncias@acerinox.com

whistleblowing@acerinox.com

The Compliance Director, who manages the channel, regularly reports to the Audit Committee on the complaints filed and the outcomes of the investigations.

In 2024, an external auditor conducted a comprehensive review of the whistleblowing channel to achieve several goals:

- Verify compliance with applicable regulations.
- Evaluate the management and usability of communications.
- Survey Group employees on their use of the whistleblowing channel.

To enhance the independence of the channel's management, it was outsourced to a third party. The internal protocol for managing the whistleblowing channel outlines how complaints are received, prioritized, and communicated, as well as how reports and final conclusions are made.

The process is monitored by the external auditor and an internal body, the Code Monitoring Committee. This committee ensures impartiality, confidentiality, and adherence to the policy. It also keeps the case manager or investigator separate from the management chain of the issue, ensures a response to the complainant, and promotes awareness of the channel. In 2024, secure and confidential software was implemented to unify the various whistleblowing channels across the Group's companies, and new regulations governing its use were approved.

To enhance transparency and analysis within the channel, improvements were made in how information is collected and communicated with whistleblowers, and the tool was upgraded to include a new taxonomy and categorization of complaints, along with a taxonomy for remediation measures.

In 2024, 56 complaints were received. Investigations revealed that 68% involved breaches of internal regulations or applicable laws. Of these breaches, 56% related to human resources issues, including discrimination, inappropriate behavior, disrespect, bullying, and a harassment case involving an employee of an external contractor working at our facilities. This latter case was substantiated, prompting the implementation of protocols, necessary measures, and the dismissal of the worker by the contractor. The second most common category involved health and safety issues, making up 19% of the cases. For all complaints where violations were found, corrective and/or disciplinary actions were taken to ensure compliance with regulations and prevent future incidents.

Whistleblowing channel

Cases reported by channel and application	70%
Cases reported by other channels	30%

Geographical location

Spain	13%
Other geographies	87%

Type of cases

Fraud and petty corruption	11%
Conflicts of interest	6%
Health and safety	19%
Work-related (discrimination, inappropriate behavior, micro-aggressive behavior, mobbing)	56%
Other violations	8%

Corrective actions taken

Layoffs	28%
Reported to police or authorities	6%
Communication enhancement	8%
Organizational and process improvements	55%
Other disciplinary measures	3%

In the coming years, we plan to launch an awareness and information campaign about the whistleblowing channel and review its policy, procedures, and guidelines.

Due diligence

A fundamental business requirement is understanding the conduct of individuals and entities associated with the company. Due diligence procedures, integral to Acerinox's compliance management system, are crucial in this regard.

These procedures help the company define, implement, and manage due diligence processes applicable to the entire workforce and those in roles that pose compliance risks. Additionally, these procedures are extended to third parties and business partners engaged in Acerinox's activities. The process is guided by a risk management approach, tailored to the scope and purpose of the engagement.

Conflicts of interest

Acerinox defines a conflict of interest as any situation where a person's objectivity, neutrality, or independence could be compromised due to personal or economic interests. To identify and mitigate such cases, the Company follows its Conflict of Interest Policy, which includes both prevention and management measures.

By 2025, the policy is expected to be revised and updated to include a declaration of the absence of conflicts of interest for all employees involved in decision-making or those in departments with higher exposure.

The company also plans to develop training and launch an awareness campaign specifically focused on this issue.

Competition

Acerinox believes that free competition drives companies to enhance their efficiency, innovate, and continually improve the quality of their products. Considering the positive impact on socioeconomic development, the company strongly supports fair and transparent rules for everyone and prohibits involvement in any activity that limits a customer's right to choose among different products and services. To ensure fair and effective competition, Acerinox has developed guidelines within its antitrust procedures and policies, applied across all markets where it operates.

In line with these practices, the Company has established a model for managing and controlling anti-competitive risks, which includes processes and initiatives like the Procedure

for the Approval of Prices and Conditions, risk assessment processes, and training for sales teams.

For 2025, training sessions led by external experts are planned for the Board and the executive committees of the Group's factories and companies.

Data protection and privacy

The Group maintains a comprehensive data protection model to ensure compliance with legal requirements across all the regions where it operates. This model, which provides effective data governance, is reviewed regularly to identify areas for improvement and foster continual advancement in its implementation and effectiveness.

Since 2018, the Group has a single Data Protection Officer (hereinafter DPO) for all its companies, advised and supported by the rest of the organization. The Data Protection Officer (DPO) plays a crucial role in managing risks associated with data processing activities, using a rigorous analysis of the nature, scope, context, and purposes of each data processing operation. This approach ensures proper compliance with applicable regulations and effectively protects data subjects' rights. VDM Metals companies have their own dedicated DPO to meet the specific requirements of German data protection laws. This DPO works closely with the Group's general DPO to ensure strategic and operational alignment.

In 2025, the Group plans to implement significant enhancements to its data protection model to strengthen its commitment to excellence in privacy. These initiatives will include:

- Advancing to an enhanced privacy management system to enable more efficient and proactive oversight of data processing.
- Integrating risk analysis methodologies to assess and mitigate risks.
- Expanding data protection training and awareness programs for employees and collaborators.
- Optimizing internal data management processes to ensure a preventive approach aligned with international best practices.

Training, awareness, and communication

In 2024, the following training sessions took place:

- Online training on corruption, bribery, fraud, and money laundering for 416 people.
- Training on competition law for the 66 employees most at risk due to their roles.
- Training on harassment prevention for 1,704 employees.
- Online training on computer crimes and intellectual property for 469 employees.
- Training on the Code of Conduct for 1,804 VDM Metals employees.

In total, 4,459 employees received training in various areas. Basic training on the Crime Prevention Program and Code of Conduct takes place continually and is provided to new hires in Spain. Managers and persons in charge of the various departments of non-Spanish subsidiaries affected by the established crimes, as well as people involved in and responsible for monitoring, receive general training.

By 2025, the focus will be on continuous and personalized training for teams through programs tailored to each functional area. These initiatives aim to establish the foundation for a sustainable and efficient compliance ecosystem, ensuring proactivity and resilience against future regulatory and ethical challenges. These courses will follow a guiding framework based on:

- Risk management: tailored to the exposure level of each role.
- Ethical culture: To promote informed and responsible decision-making.
- Whistleblowing channel: Enhancing availability and confidentiality.

Additionally, various communication formats will be introduced to raise awareness and educate all employees in this area. For example, by creating an internal compliance newsletter or organizing regular meetings and gatherings.

Prevention and detection of corruption and bribery

G1-3

Acerinox is committed to fostering a culture of zero tolerance towards any form of bribery or corruption, whether active or passive, private or public, in every country where it operates. The company has implemented a series of policies and technical guidelines that align with the United Nations Convention against Corruption and all relevant international standards.

The Group ensures adherence to these commitments through a management system rooted in transparency and control. This system features a comprehensive approach to preventing and managing corruption, bribery, and fraud risks. Measures include the approval of gifts by independent departments, risk assessments in sensitive areas, the implementation of internal financial and accounting controls, and both internal and external audits. Additionally, confidential reporting systems are in place to handle any incidents related to corruption, fraud, money laundering, and other illegal activities.

Acerinox has a global integrated risk management system. In the risk matrix, the areas related to corruption and bribery are considered low-risk and are part of the compliance management system, which is updated in accordance with the UNE 19601 standard for criminal compliance management systems. This standard aims to reduce exposure to criminal risk and foster a culture of crime prevention.

The following have been identified as criminal offenses: influence peddling, bribery, illegal financing of political parties, business corruption, money laundering, corporate crimes, and fraud against public administrations. Measures to address these issues are highlighted and included in the catalog of criminal risks. In addition, Acerinox's interaction with public administrations is limited to routine and mandatory activities like paying taxes and contributions, undergoing labor or environmental inspections, and handling procedures for authorizations, subsidies, or licenses.

The main activities that are sensitive to corruption and bribery include:

- Participating in public tender calls.
- Applying for any type of license, permit, or authorization from public authorities.
- Applying for and managing subsidies.
- Interacting with the justice system.
- Managing gifts and donations with public authorities.
- Handling administrative inspections, taxes, Social Security, workplace safety, and environmental protection.
- Interacting with public officials such as notaries and registrars.
- Managing debt forgiveness processes for clients.
- Negotiating and contracting goods or services from suppliers.
- Negotiating and signing contracts with clients.
- Engaging with administrations for international contracts.
- Receiving funds from clients, particularly those based in tax havens.
- Making donations and supporting charitable initiatives.
- Managing investments of all kinds, whether in real estate or personal property.
- Monitoring financial flows, especially those involving tax havens.

Based on the analysis and evaluation of the available data, since Acerinox does not directly sell to governments or public administrations, the risk of corruption involving public officials in Acerinox's operations is low, both in Spain and internationally.

The Acerinox Group's criminal compliance management system is called the "Crime Prevention Program." It includes measures designed to identify, evaluate and avoid the commission of crimes in its business, and is made up of the necessary policies, processes and procedures, in accordance with best practices in this area. The program follows the risk management methodology adopted by the Group, which has three phases: identification, assessment, and mitigation.

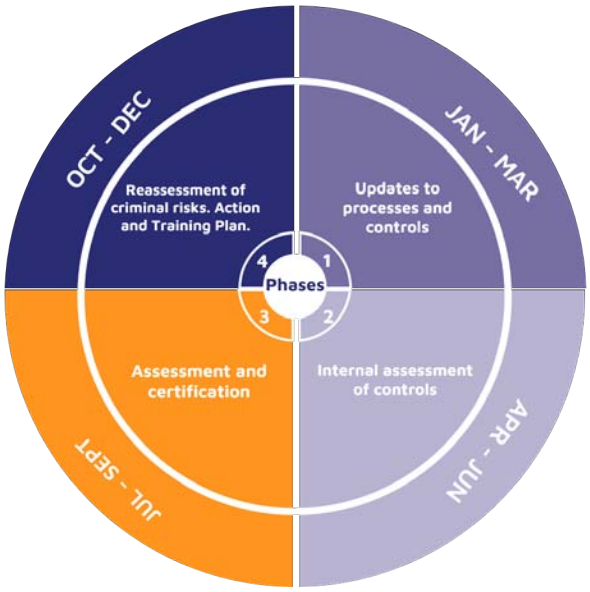
The Program's monitoring, measurement, analysis, and evaluation are conducted in line with the annual Crime Prevention Cycle, which includes the following phases:

A. Processes and monitoring update: confirmation of the program's modification to suit the Group's organizational and functional changes.

B. Monitoring self-assessment: dispatch of monitoring confirmation surveys to the people both involved in and responsible for monitoring.

C. Evaluation and certification: assessment of criminal risks in light of the survey results; certificates of compliance are prepared and signed.

D. Action and training plan: documentation of the monitoring, measurement, analysis, and evaluation work, specifying the action plans found and completed/pending training measures.



In 2024, risks related to the following crimes were reviewed and re-evaluated: harassment, discovery and disclosure of secrets, digital damage and intellectual and industrial property right infringements.

Based on the findings and actions outlined in the compliance report, there are plans to review the Risk Program management software, and by extension, the crime prevention processes, to enhance their efficiency and effectiveness. Additionally, following the risk analysis and its mitigating actions from the previous year, harassment training will continue, and new training on preventing computer crimes, protecting confidential information, and safeguarding intellectual property will be rolled out for all Group companies.

Acerinox advanced further in its continuous improvement efforts to prevent and mitigate risks by subjecting the Crime Prevention Program to an external audit conducted by AENOR. The acquisition of the UNE 19601 certification confirms the good practices the Company has implemented in this area.

Lastly, the 2025-2028 Compliance Master Plan includes plans to obtain ISO:37001 certification for anti-bribery management systems.

Parameters and targets

Anti-corruption and bribery

G1-4

No cases of corruption or bribery were detected in 2024. However, there were four substantiated cases, classified as fraud and petty corruption, related to the misuse of company assets or theft. Two of these cases were reported to the police or authorities. One of the cases resulted in a dismissal. In all cases, corrective measures were implemented to prevent future incidents.

8 Appendices

8.1 Scope of the report

Standards and principles used

The information included in this report relates to both financial and non-financial information and was prepared by the Board of Directors on February 26, 2024. The non-financial information statement has been favorably evaluated by the Sustainability Committee of the Board of Directors.

This 2024 Consolidated Management Report has been prepared taking into account the following reporting standards and principles:

- In accordance with 2021 GRI Standards, tailored to specific GRIs in compliance with Spanish Law 11/2018.
- The recommendations in the Spanish Securities Market Commission's Guide for the Preparation of Management Reports of Listed Companies.

Also including:

a) The Corporate Sustainability Reporting Directive 2022/2464 (CSRD).

b) Directive 2014/95/EU as regards disclosure of non-financial and diversity information, as well as related Spanish legislation (Law 11/2018).

c) Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020, sets the criteria for determining whether an investment qualifies as sustainable. It includes various delegated acts and additional communications to support its interpretation. See the "European taxonomy on sustainable finance" chapter.

Scope of information in this report

Timescale:

2024. The report is published annually.

Organizational scope:

Acerinox, S.A. and subsidiaries

In order to check and guarantee the reliability of the information provided to the various stakeholders, the Acerinox Group has submitted this report to external verification, through the professional services firm PwC, with a limited level of assurance. As a result of the process, an independent assurance report is produced, which includes the targets and scope of the process, as well as the verification procedures used and the related conclusions. This report is included in the Appendices attached to this report. (Appendix 8.8)

8.2 NFIS supplementary information

In the reporting of information related to Directive 2014/95/EU on non-financial information and diversity, as well as related Spanish legislation (Law 11/2018), data about Bahru prior to its sale and information about Haynes since its integration into the Acerinox Group have been considered. This follows the materiality criteria defined by the Acerinox Group.

Sustainable use of resources

Pollution

The Group complies with the emission and discharge limits established in the Best Available Techniques (BAT), as well as with the applicable regulations regarding the presence of hazardous substances in products.

Each year, its facilities conduct an assessment of their compliance with environmental legal requirements under the ISO 14001 standard. This standard establishes a specific management procedure through which the organization can monitor the environmental aspects of its activities that may affect the environment, either positively or negatively.

Likewise, internal and external ISO 14001 certification audits regularly include compliance evaluations for the aforementioned requirements.

Our facilities' Environmental Authorizations and Operating Licenses establish specific control measures to analyze light and noise pollution in our surroundings.

Other emissions (metric tons)

	2024			2023		
Tons	Total	Stainless	HPAs	Total	Stainless	HPAs
NOx	**1,063.99**	1,019.58	44.41	662.68	617.63	45.06
VOCs	**11.33**	11.33	0.00	15.07	15.07	0.00
Particulate matter	**209.13**	209.13	0.00	191.07	191.07	0.00
SOx*	**6.72**	4.09	2.63	6.96	4.59	2.37

*SOx emissions were restated in 2023 due to better data availability.

Water

Shortage areas: permanent deficit situation in relation to water demand in a regional water resource system, characterized by either an arid climate or a rapidly growing demand in consumption.

Non-shortage areas: relates to the other facilities.

Water withdrawal (m^3)

m3	Total			Stainless		HPAs	
2023	Total	Areas without water stress	Areas with water stress	Areas without water stress	Areas with water stress	Areas without water stress	Areas with water stress
Surface water	6,364,248	3,877,064	2,487,184	3,557,128	2,487,184	319,936	0
Groundwater	0	0	0	0	0	0	0
Seawater	0	0	0	0	0	0	0
Process water	0		0		0	0	0
Third-party water	787,273	601,501	185,772	372,697	185,772	228,804	0
Rainwater	270,880	0	270,880	0	270,880	0	0
Total	**7,422,401**	**4,478,565**	**2,943,836**	**3,929,825**	**2,943,836**	**548,740**	**0**

Water discharge (m3)

m3	Total			Stainless		HPAs	
2023	Total	Areas without water stress	Areas with water stress	Areas without water stress	Areas with water stress	Areas without water stress	Areas with water stress
Surface water	3,440,207	3,440,207	0	3,439,430	0	777	0
Groundwater	0	0	0	0	0	0	0
Seawater	1,120,533		1,120,533	0	1,120,533		0
Third-party water	314,340	314,340	0	25,713	0	288,627	0
Total	**4,875,080**	**3,754,547**	**1,120,533**	**3,465,143**	**1,120,533**	**289,404**	**0**

Power consumption (MWh)

MWh	2024			2023*		
	Total	Stainless	HPAs	Total	Stainless	HPAs
Natural gas	2,674,273	2,448,951	225,322	2,967,220	2,755,379	211,841
Diesel	41,523	39,492	2,030	48,012	44,470	3,542
Other fuels	79,350	2,253	77,097	85,918	1,766	84,152
Electricity	2,378,412	2,192,255	186,157	2,598,685	2,417,669	181,016
Total consumption	**5,173,558**	**4,682,951**	**490,607**	**5,699,835**	**5,219,284**	**480,551**

*Consumption data are from primary data (invoices) reported by the managers of each of the facilities. Only in the absence of primary data, will secondary data (internal information control records) will be considered.
**The net calorific value will be established based on validated and updated sources according to the location of the facilities. Additionally, if necessary, conversion factor(s) can be applied for the change of units.
*** The energy consumption in 2024 was -9.23% lower than 2023, This reduction was mainly due to the decrease of approximately 10% in melting shop production in 2024 compared to 2023 (12% if factories without melting shop are also included).

Employment

- Total number and distribution of employees by gender, age and professional category:

Total employees at year-end

Acerinox Europa (Spain)	Acerinox S.A. (Spain)	Columbus (South Africa)	Inoxfil (Spain)	NAS (US)	Roldán (Spain)	VDM (Germany / US)	Haynes (US)	Subsidiaries and Service centers	Total
1,947	121	1,319	100	1,688	350	2,074	1,276	417	9,292

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

Number of employees by age range and gender

		2024	2023
<30	Men	897	816
	Women	202	167
	Total	**1,099**	**983**
30-50	Men	4,281	4,006
	Women	742	639
	Total	**5,023**	**4,645**
>50	Men	2,767	2,314
	Women	404	287
	Total	**3,171**	**2,601**
Total		**9,293**	**8,229**

Average number of employees by age range and gender

		2024	2023
<30	Men	763	816
	Women	172	167
	Total	**934**	**983**
30-50	Men	3,640	4,005
	Women	631	639
	Total	**4,271**	**4,644**
>50	Men	2,353	2,313
	Women	344	287
	Total	**2,696**	**2,600**
Total		**7,902**	**8,227**

Number of employees by professional category and gender

		2024	2023
Director	Men	28	25
	Women	5	7
	Total	**33**	**32**
Manager	Men	320	243
	Women	82	49
	Total	**402**	**292**
Analyst	Men	721	624
	Women	240	226
	Total	**961**	**850**
Specialist	Men	387	332
	Women	216	118
	Total	**603**	**450**
Administrative staff	Men	605	599
	Women	473	476
	Total	**1,078**	**1,075**
Operator	Men	5,885	5,313
	Women	331	217
	Total	**6,216**	**5,530**
Total		**9,293**	**8,229**

Average number of employees by professional category and gender

		2024	2023
Director	Men	22	24
	Women	5	7
	Total	**27**	**31**
Manager	Men	225	243
	Women	48	53
	Total	**273**	**296**
Analyst	Men	590	604
	Women	193	210
	Total	**783**	**814**
Specialist	Men	259	339
	Women	109	124
	Total	**368**	**463**
Administrative staff	Men	594	595
	Women	429	466
	Total	**1,023**	**1,061**
Operator	Men	5,187	5,347
	Women	241	215
	Total	**5,428**	**5,562**
Total		**7,902**	**8,227**

- Total and distribution of employment contracts

Number of employees by type of contract and gender

		2024	2023
Permanent contract	Men	7,781	6,910
	Women	1,307	1,065
	Total	**9,088**	**7,975**
Temporary contract	Men	164	226
	Women	41	28
	Total	**205**	**254**
Total		**9,293**	**8,229**

Average number of employees by type of contract and gender

		2024	2023
Permanent contract	Men	6,616	6,908
	Women	1,111	1,065
	Total	**7,728**	**7,973**
Temporary contract	Men	139	226
	Women	35	28
	Total	**174**	**254**
Total		**7,902**	**8,227**

Number of employees by type of contract and age range

		2024	2023
Permanent contract	<30	1,017	859
	30-50	4,919	4,528
	>50	3,152	2,587
	Total	**9,088**	**7,974**
Temporary contract	<30	81	124
	30-50	100	116
	>50	24	15
	Total	**205**	**255**
Total		**9,293**	**8,229**

Average number of employees by type of contract and age range

		2024	2023
Permanent contract	<30	865	859
	30-50	4,183	4,527
	>50	2,680	2,587
	Total	**7,728**	**7,973**
Temporary contract	<30	69	123
	30-50	85	116
	>50	20	15
	Total	**174**	**254**
Total		**7,902**	**8,227**

Number of employees by type of contract and professional category

		2024	2023
Permanent contract	Director	34	32
	Manager	396	286
	Analyst	956	852
	Specialist	589	438
	Administrative staff	1,035	1,035
	Operator	6,078	5,336
	Total	**9,088**	**7,979**
Temporary contract	Director		
	Manager	9	7
	Analyst	2	
	Specialist	13	7
	Administrative staff	43	40
	Operator	138	196
	Total	**205**	**250**
Total		**9,293**	**8,229**

Average number of employees by type of contract and professional category

		2024	2023
Permanent contract	Director	29	32
	Manager	337	286
	Analyst	813	852
	Specialist	501	438
	Administrative staff	880	1,035
	Operator	5,168	5,335
	Total	**7,728**	**7,978**
Temporary contract	Director		
	Manager	8	7
	Analyst	2	
	Specialist	11	7
	Administrative staff	37	40
	Operator	117	195
	Total	**174**	**249**
Total		**7,902**	**8,227**

Number of employees by type of workday and gender

		2024	2023
Full time	Men	7,926	7,119
	Women	1,274	1,029
	Total	**9,200**	**8,148**
Part-time	Men	19	17
	Women	74	64
	Total	93	81
Total		**9,293**	**8,229**

Average number of employees by type of workday and gender

		2024	2023
Full time	Men	6,740	7,117
	Women	1,083	1,029
	Total	**7,823**	**8,146**
Part-time	Men	16	17
	Women	63	64
	Total	79	81
Total		**7,902**	**8,227**

Number of employees by type of workday and age range

		2024	2023
Full time	<30	1,093	975
	30-50	4,957	4,586
	>50	3,150	2,587
	Total	**9,200**	**8,148**
Part-time	<30	7	8
	30-50	63	58
	>50	23	15
	Total	**93**	**81**
Total		**9,293**	**8,229**

Average number of employees by type of workday and age range

		2024	2023
Full time	<30	929	975
	30-50	4,215	4,585
	>50	2,678	2,586
	Total	**7,823**	**8,146**
Part-time	<30	6	8
	30-50	54	58
	>50	20	15
	Total	**79**	**81**
Total		**7,902**	**8,227**

Number of employees by type of workday and professional category

		2024	2023
Full time	Director	34	31
	Manager	400	293
	Analyst	955	852
	Specialist	590	444
	Administrative staff	1,026	1,022
	Operator	6,195	5,507
	Total	**9,200**	**8,149**
Part-time	Director		1
	Manager	4	
	Analyst	4	4
	Specialist	11	4
	Administrative staff	52	52
	Operator	22	19
	Total	**93**	**80**
Total		**9,293**	**8,229**

Average number of employees by type of workday and professional category

		2024	2023
Full time	Director	29	31
	Manager	340	293
	Analyst	812	852
	Specialist	502	444
	Administrative staff	872	1,022
	Operator	5,268	5,506
	Total	**7,823**	**8,147**
Part-time	Director		1
	Manager	3	
	Analyst	3	4
	Specialist	9	4
	Administrative staff	44	52
	Operator	19	19
	Total	**79**	**80**
Total		**7,902**	**8,227**

Number of employees per country

Country	Number of employees
Albania	2
Germany	1,605
Angola	1
Argentina	10
Australia	6
Austria	4
Belgium	2
Bangladesh	1
Bolivia	1
Bosnia Herzegovina	4
Brazil	3
Bulgaria	1
Cameroon	1
Canada	19
Chile	18
China	18
Colombia	2
South Korea	14
Croatia	2
Cuba	2
Ecuador	2
Egypt	1

Country	Number of employees
Slovenia	109
Spain	2,514
United States of America	1,639
Philippines	2
France	35
Greece	4
India	10
Indonesia	4
Iran	1
Ireland	1
Israel	1
Italy	72
Japan	8
Kazakhstan	6
Mexico	27
Macedonia	7
Malaysia	42
Morocco	4
Nepal	10
Norway	2
Netherlands	8
Pakistan	1

Country	Number of employees
Peru	3
French Polynesia	1
Poland	37
Portugal	29
Qatar	1
United Kingdom	86
Romania	3
Russia	5
Serbia	1
Singapore	4
Syria	3
South Africa	1,290
Sweden	24
Switzerland	10
Thailand	1
Taiwan	2
Turkey	169
Venezuela	2
Vietnam	6
Unknown nation	1,390
Total employees	**9,293**

New hires by age group and gender

		2024	2023
<30	Men	454	646
	Women	143	138
	Total	**598**	**784**
30-50	Men	604	688
	Women	84	115
	Total	**688**	**803**
>50	Men	73	49
	Women	12	7
	Total	**85**	**56**
Total		**1,370**	**1,643**

Hiring rate

		2024	2023
<30	Men	58.76%	79.36%
	Women	82.62%	84.66%
	Total	**63.13%**	**80.25%**
30-50	Men	15.56%	17.25%
	Women	13.43%	18.37%
	Total	**15.27%**	**17.40%**
>50	Men	3.07%	2.14%
	Women	3.87%	2.55%
	Total	**3.16%**	**2.18%**
Total		**16.86%**	**20.00%**

Voluntary resignations

		2024	2023
<30	Men	82	136
	Women	16	19
	Total	**97**	**155**
30-50	Men	121	200
	Women	29	36
	Total	**149**	**236**
>50	Men	53	30
	Women	13	6
	Total	**66**	**36**
Total		**312**	**427**

Number of layoffs by age range and gender

		2024	2023
<30	Men	31	39
	Women	6	4
	Total	**38**	**43**
30-50	Men	60	55
	Women	10	7
	Total	**70**	**62**
>50	Men	16	15
	Women	2	4
	Total	**18**	**19**
Total		**126**	**124**

Staff turnover rate

		2024	2023
<30	Men	14.59%	21.50%
	Women	12.67%	14.11%
	Total	**14.24%**	**20.27%**
30-50	Men	4.67%	6.39%
	Women	6.11%	6.87%
	Total	**4.87%**	**6.46%**
>50	Men	2.90%	1.96%
	Women	5.04%	3.64%
	Total	**3.14%**	**2.14%**
Total		**5.39%**	**6.75%**

Number of layoffs by professional category and gender

		2024	2023
Director	Men	1	
	Women		
	Total	**1**	**0**
Manager	Men	2	
	Women	1	1
	Total	**3**	**1**
Analyst	Men	2	4
	Women		
	Total	**2**	**4**
Specialist	Men	5	6
	Women	3	2
	Total	**9**	**8**
Administrative staff	Men	6	2
	Women	6	5
	Total	**12**	**7**
Operator	Men	91	96
	Women	8	8
	Total	**99**	**104**
Total		**126**	**124**

Reinstatement and retention rate

		2024	2023
Return to work rate	Men	98.50%	99.00%
	Women	77.50%	95.00%
	Total	**95.00%**	**92.95%**
Employee retention rate	Men	85.14%	87.00%
	Women	117.14%	90.00%
	Total	**89.08%**	**92.95%**

- Average remuneration and trends therein, broken down by gender, age and professional category or similar

Average remuneration by gender (EUR)

	2024	2023
Men	€67,639	€58,699
Women	€61,597	€53,317

Average remuneration by age range (EUR)

	2024	2023
<30	€54,583	€49,192
30-50	€57,748	€55,570
>50	€78,219	€69,544

Average remuneration by professional category (EUR)

	2024	2023
Director	€297,944	€269,300
Manager	€171,046	€144,188
Analyst	€88,640	€73,836
Specialist	€66,479	€58,221
Administrative staff	€59,042	€53,935
Operator	€56,537	€50,615

To help with the comparability, the remuneration in 2024 includes extraordinary items associated with the purchase of Haynes.

Pay gap

	2024	2023
Pay gap	7.65%	7.55%

In 2024, the average remuneration for male directors was EUR 179 thousand (EUR 461 thousand when including the CEO), while female directors earned an average of EUR 171 thousand. In 2023, male directors received an average of EUR 123 thousand (EUR 379 thousand including the CEO), and female directors earned EUR 150 thousand on average.

The average remuneration for senior management in 2024, excluding the CEO, was EUR 480 thousand for men and EUR 273 thousand for women. The average remuneration for senior management in 2023, excluding the CEO, was EUR 573 thousand for men and EUR 231 thousand for women.

Complaints reported on human rights violations

The company has received 10 reports of violations of employees' right not to participate in a strike. Although the incidents have been confirmed, the perpetrators have not been identified. The company has implemented mechanisms to prevent such situations from recurring and has encouraged the affected employees to report the incidents to the authorities.

Contributions to foundations and not-for-profit organizations

Acerinox 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. Acerinox is actively involved in several organizations, including the World Steel Association, EUROFER, Responsible Steel, UNESID, CEDINOX, and AEGE.

These sector associations advocate for the industry's interests, competitiveness, and future development. The company's senior management oversees the participation of the group's senior managers, monitoring the issues discussed and actively participating in many of the associations.

As outlined in its Code of Conduct, the Acerinox Group does not make donations to political parties. In 2024, its contributions to various associations totaled just over EUR 1 million, compared to approximately EUR 950,000 in 2023.

Tax contribution

The Acerinox Group endeavors to maximize its financial and corporate profits without affecting the fulfillment of its tax obligations.

The value generated by Group companies is distributed through the payment of taxes to tax authorities, to employees through the payment of salaries, suppliers through the payment for the services rendered, to creditors through the payment of interest, and to shareholders through the payment of dividends.

The methodology used to determine the total tax contribution (TTC) measures the Group's payments to the different tax authorities.

This methodology generally allocates taxes paid and taxes received to each fiscal year on a cash basis.

- **Taxes paid** are those that entail a cost for the Group companies, such as income tax, social security payable by the Company, and certain environmental taxes, property taxes, and other local taxes.
- **Taxes received** are those generated as a result of the Company's economic activity, with no cost to companies other than in their management, such as withholding tax on salaries owing to personal income tax ("PIT"), other withholdings on dividends or interest, and Value Added Tax ("VAT").

	2024		2023	
Taxes paid	**Amount (EUR thousands)**	**%**	**Amount (EUR thousands)**	**%**
Corporate income tax	131,181	58%	233,251	71%
Social security	62,843	28%	66,860	20%
Other indirect taxes (*)	20,694	9%	17,191	5%
Local taxes	10,435	5%	9,697	3%
Total taxes paid	**225,153**	**45%**	**326,999**	**51%**

(*) Other indirect taxes include the taxes on electricity, imports, etc.

In keeping with the OECD's thinking, the analysis of the tax burden took into account the contributions made to social security or similar bodies in other jurisdictions, given that they are mandatory payments that generally account for a significant portion of a state's income and, in light of them being more tax-like than contribution-like, the Group considers them as taxes.

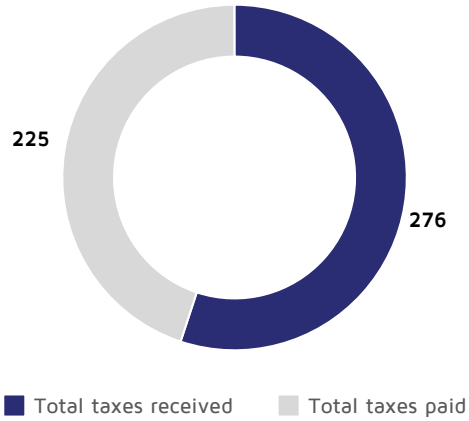
	2024		2023	
Taxes received	**Amount (EUR thousands)**	**%**	**Amount (EUR thousands)**	**%**
Employee personal income tax and social security	153,883	56%	135,663	43%
VAT (*)	101,155	37%	153,742	49%
Withholdings	21,089	8%	26,978	9%
Total taxes received	**276,126**	**55%**	**316,383**	**49%**

(*) The VAT shown is the net amount of taxes received and paid.

The reduction in amounts paid for VAT and corporate income tax aligns with the decrease in turnover and the Group's reduced results.

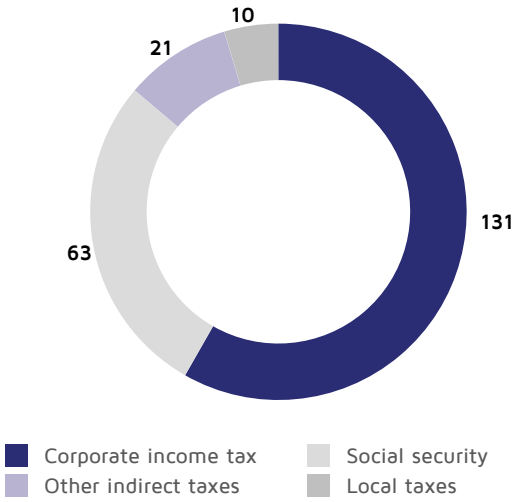
EUR 501 million

Total tax contribution



EUR 225 million

Taxes paid



The amount of taxes paid represents 45% of the Group's total tax contribution, as shown in the chart above.

The Group's pre-tax consolidated profit amounted to EUR 342 million in 2024 (as a result of ordinary activities included in the consolidated profit and loss statement of the 2024 consolidated annual accounts). Total taxes paid and received amounted to EUR 501 million. This means that global tax contribution was higher than total pre-tax profit.

Companies do key work as tax collection agents in the framework of their business operations; likewise, they play an essential role as qualified employers, assuming the risk and compliance costs associated with their proper liquidation and timely payment. Although the taxes collected do not represent a cost for the company, they are generated and paid into the public treasury thanks to the economic activity of the business groups. They are significant, both as employment taxes and taxes on products and services

As a sign of the Group's commitment to comply with its tax obligations in all the countries in which it operates. The following is a breakdown by country of profits earned and corporate income tax paid.

Pre-tax profit and taxes paid by country (EUR thousand)

Country	Pre-tax income by country	Payment of taxes
Spain	-180,212	1,327
USA	487,242	123,625
South Africa	-56,973	-701
Malaysia	-12,211	10
Canada	7,256	1,880
Mexico	10,197	-70
Portugal	585	-108
France	2,184	376
Germany	57,208	-2,306
Italy	4,269	4,089
UK	3,513	616
Sweden	1,124	0
Switzerland	218	0
Austria	1,709	568
Poland	748	-149
Chile	-465	-98
Argentina	34	164
Belgium	55	17
Netherlands	500	231
Russia	1	1
Turkey	510	158
Brazil	7	11
Colombia	-232	0
Peru	-163	0
Australia	205	69
China	1,415	527
Hong Kong	7	154
Japan	2,048	748
Korea	259	0
Singapore	-140	1
India	-40	41
United Arab Emirates	-163	0
Luxembourg	428	0
Total	**331,122**	**131,181**

The results that appear in the table are the aggregate results which correspond to those recorded under IFRS regulations in most jurisdictions. The information for 2023 was reported pursuant to local regulations and accordingly is not comparable and is not included in this report. The tax payments effected during the fiscal year 2023 amounted to the sum of EUR 233 million. For further information, refer to the 2023 annual report.

Taxes paid include all payments (or collections) of income tax to the tax authorities during the year, whether payments on account, settlements of prior years, payments in respect of assessments, or mutual agreements.

The Group presents detailed information on tax litigation and open inspections in its Annual Accounts (Note 20.5).

In some countries, legislation requires payments on account to be made on the basis of the profit or loss obtained for the year rather than on the basis of taxable income. These may prove higher than those that would be payable according to the calculation of taxable income. In some jurisdictions, payments on account are calculated based on the previous year's tax figures.

As can be seen in the table, the country with the highest corporate income tax contribution is the country in which the Group makes the highest profits (United States).

The following jurisdictions are likewise notable in this fiscal year due to the difference between reported results and taxes:

- **Spain**: Despite recording losses in the 2024 financial year, the corporate tax payments were due to withholdings and payments made abroad.
- **Germany**: The amounts paid as payments on account made in 2021, a period in which the subgroup recorded negative results, were received in this fiscal year.
- **Italy**: This fiscal year, agreements with the tax authorities for certain pending litigations relating to the years 2007 to 2017 have been met. In addition, the payments on account are determined based on the tax results from the previous year.
- **Argentina**: Payments made during the year mainly correspond to withholdings on invoices made to customers.

In the remaining countries the profit obtained in each jurisdiction is in line with the amount of income tax paid.

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. The company's activity represents an opportunity for job creation and local economic development. To this end, it maintains relationships of trust with the communities affected by its activities. It also has a framework for social action to harmonize its activities along five priority lines: socio-economic development, social welfare of people, environmental protection and restoration, commitment to quality education,and inclusive development.

	2024	2023
Investment in social actions	€945,233	€539,763

8.3 Information regarding the European taxonomy

Calculation of financial indicators

Acerinox defined a procedure to facilitate the identification of the financial information to be reported associated with eligible activities and/or aligned with the EU Taxonomy. Specifically, the procedure assists in the reporting of:

- **Quantitative information**: information on (1) revenue, (2) CAPEX and (3) OPEX of sustainable and non-sustainable activities (see table with breakdown of quantitative information).
- **Qualitative information**: qualitative information consists of three blocks. (1) Accounting policies, which include the form and basis on which KPIs were determined, referring to the affected items in the NFIS; (2) compliance assessment, which involves an analysis of how the eligibility of activities has been identified, indicating the nature of the economic activities and explaining the conduct of the assessment of the criteria for eligibility. In addition, an explanation of how any double counting of the three key indicators has been avoided is included; and (3) contextual information, which involves a breakdown of each of the KPIs, identifying the items included in the calculation of each KPI.

The procedure for obtaining quantitative data follows the following sequence:

1. Identification of data to calculate indicators. Firstly, the necessary information is collected from the Group's IT systems. This information is taken from the consolidated data closed in the corresponding year. It is extracted from the information in the consolidation program with the highest level of account detail, considering the consolidated financial statements.
2. Reconciliation with the Annual Accounts at heading level.
3. Selection of the accounts to be included in the calculation of the ratios. The sum of the income and expense accounts is taken from the consolidation application. The amounts relating to investments are taken from the table showing movement in property, plant and equipment in the notes to the annual accounts. For the preparation of the notes to the Group's annual accounts, consolidation packages are received from all companies with the disclosures required by the notes, including movements in property, plant and equipment. All packages are automatically uploaded into the spreadsheets for the notes and reconciled with the account balances.
4. Contribution per company to each of these accounts in order to exclude amounts corresponding to companies whose activities are not aligned. From the consolidation application, the contribution per company to the balances of the accounts selected in the previous section is extracted.
5. Calculation of the ratios.

    i. Revenue: total revenue is the sum of the Group's consolidated revenue, as shown in the consolidated income statement of the Annual Accounts. Revenue mainly reflects the Group's sales of stainless steel and high-performance alloys.

    In order to calculate revenue from eligible activities, the contribution to the consolidated figure by each of the companies in the consolidation perimeter is extracted from the Group's consolidation systems. Revenue from eligible activities is the aggregate sum of the contribution to consolidated revenue of the companies considered eligible, in accordance with the definition provided in the chapter on the European Taxonomy on Sustainable Finance.

    To calculate revenue from aligned activities, the consolidated sales figure corresponding to the products of each factory is extracted from the Group's management systems and reconciled with the consolidated revenue figure. Once reconciled, only the total sales of products manufactured by Acerinox Europa, NAS, and Columbus Stainless would be included as revenue from aligned activities.

ii. CAPEX: the Group's total CAPEX corresponds to its total investments in both tangible and intangible fixed assets (Notes 8 and 9). It is reported in the Group's consolidated financial statements and is disclosed in the investments section of Note 9 of property, plant, and equipment in these Annual Accounts. Furthermore, rights of use have been included as CAPEX (Note 11). The additional CAPEX provided for in the 2025-2030 Decarbonization Plan is not included.

   To calculate CAPEX pertaining to eligible activities, the contribution of each of the companies in the consolidation perimeter to the consolidated figure is extracted from the Group's consolidation systems, and the amounts of the investments corresponding to eligible entities are aggregated.

   Similarly, to calculate CAPEX pertaining to aligned activities, the contribution of each of the companies in the consolidation perimeter to the consolidated figure is extracted from the Group's consolidation systems, and the amounts of the investments corresponding to aligned entities are aggregated. Only the CAPEX of the Acerinox Europa, NAS, and Columbus Stainless plants would be included as CAPEX of aligned activities.

iii. OPEX: To calculate total OPEX, only the following items are taken into account from the total operating expenses in the Consolidated Annual Accounts: R&D expenses, maintenance, and operating leases. Total OPEX is calculated as the sum of these three expense accounts, which are part of the consolidated Group's accounting plan and are identified in the consolidation program. In the memo note that includes the breakdown of operating expenses (Note 18.3), both the maintenance and lease totals are broken down; these are the two most significant categories, as the R&D expenses recorded as OPEX are relatively insignificant. The additional OPEX provided for in the 2025-2030 Decarbonization Plan is not included.

   OPEX pertaining to eligible activities corresponds to the aggregate sum of maintenance expenses, leasing expenses, and R&D expenses at the eligible companies. To calculate this figure, the contribution of each Group company to these three items is extracted from the consolidation systems and only those corresponding to eligible entities are added

   Similarly, to calculate the OPEX of aligned activities, the contribution per Group company to these three items is extracted from the consolidation systems, and only those corresponding to the aligned entities are added. Only the OPEX of the Acerinox Europa, NAS, and Columbus Stainless factories would be included as OPEX of aligned activities.

   By calculating the ratios based on data obtained from the consolidated financial statements, any possible double counting is avoided, since all intra-group transactions that could have an impact on two companies are eliminated beforehand in the consolidation process.

   The variations in the ratios with respect to previous years are a consequence of the volume of activity at the Group's different factories to meet market demand.

Revenue

2024	Year			Substantial contribution criteria							Do no significant harm criteria											
Economic activities (1)	Code (2)	Revenue (3)	Proportion of revenue, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of revenue conforming to taxonomy (A.1) or eligible according to taxonomy (A.2), year 2023 (18)	Facilitating activity	category (19)	Transitory activity	category (20)
Text		EUR thousands	%	Y;N;N/EL	Y;N;N/EL	S;N;N/EL	Y;N;N/EL	Y;N;N/EL	S;N;N/EL	Y/N	Y/N	S/N	Y/N	Y/N	S/N	Y/N	%	F		t	
A. ELIGIBLE ACTIVITIES ACCORDING TO TAXONOMY																					
A.1 Environmentally sustainable activities (conforming to the taxonomy)																					
Manufacture of iron and steel (CNAE 12.24)	CCM 3.9	3,811,616	70.4%	S	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	S	Y	Y	Y	70.6%			t	
Revenue from environmentally sustainable activities (conforming to the taxonomy) (A.1)		3,811,616	70.4%	70.4%	—%	—%	—%	—%	—%	S	S	Y	S	Y	Y	Y	70.6%				
Of which: facilitating		0	—%	—%	—%	—%	—%	—%	—%	S	S	Y	S	Y	Y	Y	—%	F			
Of which: transitional		3,811,616	70%	70%	—%	—%	—%	—%	—%	S	S	Y	S	Y	Y	Y	71%			t	
A.2 Activities eligible under the taxonomy but not environmentally sustainable (activities that do not conform to the taxonomy)																					
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL												
Manufacture of iron and steel (CNAE 12.24)	CCM 3.9	252,541	4.7%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								7.4%			t	
Revenue from taxonomy-eligible but not environmentally sustainable activities (activities that do not conform to the taxonomy) (A.2)		252,541	4.7%	4.7%	—%	—%	—%	—%	—%								7.4%				
A. Revenue from taxonomy-eligible activities (A.1+A.2)		4,064,157	75.1%	75.1%	—%	—%	—%	—%	—%								78.0%				
B. NON-ELIGIBLE ACTIVITIES ACCORDING TO THE TAXONOMY																					
Revenue from non-eligible activities under the taxonomy		1,348,971	24.9%																		
Total		5,413,128	100%																		

	Proportion of revenue/Total revenue	
	Taxonomic alignment by target	Eligible taxonomy by target
Climate change mitigation	70.4%	75.1%
Climate change adaptation	0%	0%
Sustainable use and protection of water and marine resources	0%	0%
Transition to a circular economy	0%	0%
Pollution prevention and control	0%	0%
Protection and restoration of biodiversity and ecosystems	0%	0%

The OPEX of the marketing companies associated with the sale of products from the aligned factories was included in the 2023 OPEX calculation. In 2024, only the OPEX of the aligned factories has been considered.

CAPEX

2024		Year		Substantial contribution criteria						Do no significant harm criteria									
Economic activities (1)	Code (2)	CAPEX (3)	Proportion of CAPEX, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of revenue conforming to taxonomy (A.1) or eligible according to taxonomy (A.2), year 2023 (18)	Facilitating activity category (19)	Transitory activity category (20)
Text		EUR thousands	%	S;N;N/EL	S;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y/N	Y/N	Y/N	S/N	Y/N	Y/N	Y/N	%	F	t
A. ELIGIBLE ACTIVITIES ACCORDING TO TAXONOMY																			
A.1 Environmentally sustainable activities (conforming to the taxonomy)																			
Manufacture of iron and steel (CNAE 12.24)	CCM 3.9	164,513	76.7%	S	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	S	Y	Y	Y	77%		t
CAPEX of environmentally sustainable activities (conforming to the taxonomy) (A.1)		164,513	76.7%	76.7%	—%	—%	—%	—%	—%	Y	Y	Y	S	Y	Y	Y	77%		
Of which: facilitating		0	—%	—%	—%	—%	—%	—%	—%	Y	Y	Y	S	Y	Y	Y	—%	F	
Of which: transitional		164,513	76.7%	76.7%	—%	—%	—%	—%	—%	Y	Y	Y	S	Y	Y	Y	77%		t
A.2 Activities eligible under the taxonomy but not environmentally sustainable (activities that do not conform to the taxonomy)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of iron and steel (CNAE 12.24)	CCM 3.9	7,538	3.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.7%		t
CAPEX of taxonomy-eligible but not environmentally sustainable activities (activities that do not conform to the taxonomy) (A.2)		7,538	3.5%	3.5%	—%	—%	—%	—%	—%								0.7%		
A.CAPEX of taxonomy-eligible activities (A.1+A.2)		172,051	80.2%	80.2%	—%	—%	—%	—%	—%								77.4%		
B. NON-ELIGIBLE ACTIVITIES ACCORDING TO THE TAXONOMY																			
CAPEX of non-eligible activities according to taxonomy		42,537	19.2%																
Total		214,588	100%																

	Proportion of CAPEX / Total CAPEX	
	Taxonomic alignment by target	Eligible taxonomy by target
Climate change mitigation	76.7%	80.2%
Climate change adaptation	0%	0%
Sustainable use and protection of water and marine resources	0%	0%
Transition to a circular economy	0%	0%
Pollution prevention and control	0%	0%
Protection and restoration of biodiversity and ecosystems	0%	0%

OPEX

2024		Year		Substantial contribution criteria						Do no significant harm criteria									
Economic activities (1)	Code (2)	OPEX (3)	Proportion of OPEX, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of OPEX conforming to taxonomy (A.1) or taxonomy-eligible (A.2), year 2023 (18)	Facilitating activity category (19)	Transitory activity category (20)
Text		EUR thousands	%	S;N;N/EL	S;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y/N	Y/N	Y/N	S/N	Y/N	Y/N	Y/N	%	F	t
A. ELIGIBLE ACTIVITIES ACCORDING TO TAXONOMY																			
A.1 Environmentally sustainable activities (conforming to the taxonomy)																			
Manufacture of iron and steel (CNAE 12.24)	CCM 3.9	57,236	59.4%	S	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	S	Y	Y	Y	87.3%		t
OPEX of environmentally sustainable activities (conforming to the taxonomy) (A.1)		57,236	59.4%	59.4%	0%	0%	0%	0%	0%	Y	Y	Y	S	Y	Y	Y	87.3%		
Of which: facilitating		0	—%	—%	0%	0%	0%	0%	0%	Y	Y	Y	S	Y	Y	Y	—%	F	
Of which: transitional		57,236	59%	59%	—%	0	0	0	0	Y	Y	Y	S	Y	Y	Y	87%		t
A.2 Activities eligible under the taxonomy but not environmentally sustainable (activities that do not conform to the taxonomy)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of iron and steel (CNAE 12.24)	CCM 3.9	6,793	7.1%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								10.0%		t
OPEX of eligible activities according to the taxonomy but not environmentally sustainable (activities that do not conform to the taxonomy) (A.2)		6,793	7.1%	7.1%	—%	—%	—%	—%	—%								10.0%		
A. OPEX of taxonomy-eligible activities (A.1+A.2)		64,029	66.5%	66.5%	—%	—%	—%	—%	—%								97.4%		
B. NON-ELIGIBLE ACTIVITIES ACCORDING TO THE TAXONOMY																			
OPEX of non-eligible activities according to taxonomy (B)		32,256	33.5%																
Total		96,285	100%																

	Proportion of OPEX / Total OPEX	
	Taxonomic alignment by target	Eligible taxonomy by target
Climate change mitigation	59.4%	66.5%
Climate change adaptation	0%	0%
Sustainable use and protection of water and marine resources	0%	0%
Transition to a circular economy	0%	0%
Pollution prevention and control	0%	0%
Protection and restoration of biodiversity and ecosystems	0%	0%

Nuclear and fossil gas related activities

	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle..	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

8.4 Calculation of Greenhouse Gas Inventory

Methodology

The Group calculates its carbon footprint using the corporate standard of the GHG Protocol and the standard for accounting and reporting on the value chain (Scope 3) of the GHG Protocol.

There are two approaches to consolidating GHG emissions: the shareholding approach and control approaches. Under the control approach, you can choose between financial control and operational control. Until 2023, the Company reported its GHG inventory using operational control, covering the emissions from operations it directly controls. This approach included emissions from the 13 factories in the Group's production network.

With the implementation of the CSRD, the GHG inventory must now account for emissions from associated companies, joint ventures, including entities involved in both upstream and downstream phases of the company's value chain, investment entities, and contractual arrangements in joint operations not structured through an entity. This is done based on the extent of the company's operational control over these entities.

The Group's investment entities are not included in the financial statements because they are not considered material. Consequently, they are also excluded from the non-financial statements.

In 2024, the emissions from 13 factories, 20 service centers, 26 warehouses, and 57 sales offices were calculated. However, since the emissions from the service centers, warehouses, and offices account for less than 2.5% of the total and are not material, they were excluded from the 2024 GHG inventory.

The sale of Bahru Stainless in May 2024 affected the Group's carbon footprint. However, it was not significant, given that its emissions in 2023 (378,214 tCO_2eq) accounted for less than 5% (262,245 tCO_2eq). Emissions generated by Bahru Stainless in 2024 were 78,961 tCO_2eq.

Acerinox's GHG emissions inventory includes both direct emissions and major indirect emissions, in line with the established standards. Acerinox considers the gases established in the Kyoto Protocol and in the most recent Assessment Report of the Intergovernmental Panel on Climate Change IPCC, expressed in tCO_2eq:

- Carbon dioxide (CO_2).
- Methane (CH_4).
- Nitrous oxide (N_2O).
- Sulfur hexafluoride (SF_6): used as an insulator in electrical substations, from where it can be emitted in the form of fugitive emissions. No fugitive emissions of SF_6have been reported.
- Hydrofluorocarbon and Perfluorocarbon (HFC and PFC): group of gases containing fluorine, chlorine or bromine, used in refrigeration processes, from where they can be emitted as fugitive emissions.
- Nitrogen trifluoride (NF_3): produced mainly in the manufacture of semiconductors and LCD panels (liquid crystal displays), and certain types of solar panels and chemical lasers. Due to Acerinox's activity, no NF_3emissions have been reported.

The quantification of greenhouse gas emissions is based on calculation methodologies for both direct and indirect emissions. In the case of direct emissions, the equivalent CO_2 emission is calculated for each direct energy emission source. Quantification of these emissions is based on activity data (fuel consumption and carbon source) and emission factors obtained from official sources. In the case of GHG emissions due to refrigerant gas leakage, refrigerant gas recharges and official global warming potentials are taken into account. In the case of fire extinguishers, the corresponding CO_2 emissions associated with their use.

Indirect Scope 2 emissions are quantified using both location-based and market-based methods. Scope 2 location-based emissions are calculated using the national emission factors of the countries where Acerinox's factories are situated. For Scope 2 market-based emissions, the specific emission factor of the electricity supplier is used.

In 2024, Acerinox purchased 962,202 MWh of electricity through instruments like guarantees of origin or renewable energy certificates, resulting in a significant reduction in Scope 2 emissions compared to the total electricity consumption (2,378,412 MWh).

Acerinox did not purchase carbon credits. GHG emission rights acquired through the regulated emissions trading scheme are excluded from the calculation of Scope 1 GHG emissions.

The Group does not produce biogenic emissions, as it does not utilize biofuels or biomass.

Regarding other indirect emissions, emissions were assessed based on the 15 categories specified in the corporate standard for value chain accounting and reporting (Scope 3) of the GHG Protocol.

Calculation criteria

Aggregate greenhouse gas emissions are converted to unit CO_2 equivalent (CO_2eq) based on global warming potential (GWP) with a 100-year time horizon. The 2024 GHG emissions inventory used the Global Warming Potential (GWP-100) of GHGs published in the IPCC Sixth Assessment Report (7.SM.6 Tables of Greenhouse Gas Lifetimes, Radiative Efficiencies and Metrics). The following generic formula is used to determine GHG emissions during the calculation year:

Emissions tCO_2eq = Activity data * Emission factor * Global Warming Potential

Where:

- Activity data: parameter (unit of mass, km, unit of volume, etc.) that quantitatively defines the activity that generates a GHG emission.
- Emission Factor: this coefficient connects GHG activity data to GHG emissions.

To align the units of activity data with those of the available emission factor, conversion factors like density or unit conversion within the same magnitude are sometimes necessary.

The emission factor is influenced by the type and characteristics of the chemical transformation process and the fuel used. There are also sector-specific emission factors, as well as factors for production processes or for emissions based on distance traveled by different types of vehicles.

In every case, emission factors will include the fuel oxidation factor, which accounts for inefficiencies in combustion processes that lead to unburned or partially oxidized carbon content, such as soot or ash.

Raw materials and ferroalloys typically have an oxidation component. Emission factors are usually expressed in metric tons of GHG per unit, with the unit depending on the activity data.

Lastly, each electricity provider has its own grid emission factor for every kWh of electricity sold.

The sources of information of the Emission Factors for the calculation of GHG emissions are:

- Ministry for Ecological Transition and the Demographic Challenge (Spain). Carbon footprint calculator from the Ministry organization. Scope 1-2, of Version 29.
- Spain, GHG Inventories Report 1990-2022 (2024 Edition). Appendix 7. CO_2 emission factors and LCV of fuels.
- Calculator of the Catalan Office for Climate Change. Version 2024.
- Grid Emission Factor (GEF) in Malaysia, Peninsular Region.
- DEFRA: Department for Environment, Food & Rural Affairs. (United Kingdom). Greenhouse gas reporting: conversion factors 2023.
- DEHST (German Emissions Trading Authority). Guideline for the preparation of monitoring plans and mission reports for stationary installations (Leitfaden zur Erstellung von Überwachungsplänen und Emissionsberichten für stationäre Anlagen). 4th trading period (2021-2030) of the European emissions trading scheme. September 2024
- Department of Forestry, Fisheries and the Environment of South Africa. Methodological Guidelines for Quantification of Greenhouse Gas Emissions. August 2022.
- Department of Forestry, Fisheries and the Environment of South Africa. South Africa's 2022 Grid Emission Factors Report. Updated November 1, 2024.
- Commission Implementing Regulation (EU) 2018/2066 of December 19, 2018 on the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and of the Council and amending Commission Regulation (EU) No. 601/2012.
- Ecoinvent database. Version 3.10.
- Life Cycle Assessment: WorldSteel. (International). 2020.
- EPA: United States Environmental Protection Agency. GHG (US). June 2024
- Calculation and emission factors developed by the Intergovernmental Panel on Climate Change (IPCC). 2006 IPCC Guidelines for National Greenhouse Gas Inventories and IPCC Sixth Report.
- Supplier-specific emission factors.

Once the unit calculation of emissions from each source in units of tCO_2eq is available, all emissions in the same category (direct emissions, indirect emissions from energy and other indirect emissions) are added together.

After examining the emission sources, activity data for calculating emissions are gathered following this hierarchy:

- Primary data: whenever possible, use measured data from recognized sources. This information should be supported by documented records, such as invoices, laboratory reports, or purchase orders, to ensure data traceability.
- Secondary data: when primary data is unavailable, consider other internal records that control information from measured data or records stored in databases, spreadsheets, or internal files.
- Estimated data: if neither primary nor secondary data is available, estimate the data using economic criteria, such as turnover, or bibliographic sources.

This is the origin of the data for the different emission categories:

Scope 1 Category:	Source of activity data
1. Direct GHG emissions and removals. The organization measures direct GHG emissions from facilities within its boundaries.	
1.1. Direct emissions from stationary combustion (e.g., heaters, gas turbines).	Primary activity data: invoices for natural gas, diesel, and other fuels.
1.2. Direct emissions from mobile combustion (e.g., vehicles, trucks).	Primary activity data: records of diesel or gasoline consumption for vehicles.
1.3. Direct emissions or removals from industrial processes (e.g., decomposition of carbonates like limestone and dolomite, or transformation of ferrous metals).	Primary activity data: Reports from the material consumption computer system (weighing scales for raw material inputs).
1.4. Direct fugitive emissions from anthropogenic systems (e.g., equipment leaks, agricultural processes, waste decomposition).	Primary activity data: supplier certificates documenting fluorinated gas refills in air conditioning equipment and CO2 refills in fire extinguishers.

Scope 2 Category:	Source of activity data
2. Indirect GHG emissions from imported energy.	
2.1. Indirect emissions from imported electricity.	Primary activity data: electricity bills. Guarantee of origin (GoO) certificate or renewable energy certificates (REC).
2.2. Indirect emissions from imported energy.	Not applicable.

Scope 3 Category:	Source of activity data
3. Other indirect GHG emissions:	
3.1. Purchased goods and services.	Primary activity data: Quantity and origin of raw materials purchased (warehouse entries). The acquisition of some raw materials, like scrap, carries a zero emission factor because the scrap treatment is done internally and is included in Scope 1 and 2 emissions. However, emissions from transporting these raw materials are calculated using a "market for" emission factor. Specifically, scrap (Acerinox Europa, Columbus, NAS, and VDM), black coil (Bahru), and billets (Roldan) use a "market for" emission factor that covers transportation emissions. As a result, these emissions fall under category 3.4: Upstream transportation and distribution.
3.2. Capital assets	Primary activity data: accounts related to capital goods: • Activation of major repairs • Buildings account • Furniture account • Machinery and other installations account • Computer equipment account • Vehicles account • Research and development
3.3. Fuel and energy activities (not included in Scope 1 or Scope 2)	Primary activity data: scope 1 and 2 fuel consumption (WTT) and percentage of electricity losses from national transmission and distribution.
3.4. Upstream transport and distribution	Primary activity data: purchases of raw materials/scrap and origin (warehouse entries). Product quantity by weight Estimated activity data: Annual distance traveled (tkm). Maps or online calculators and/or published port-to-port travel distances. Primary activity data: purchases of raw materials, including emissions covered by the Ecoinvent emission factor. (market for).
3.5. Waste generated in operations	Primary activity data: waste removal delivery note and type of management or recovery. Only management by third parties is included. The calculation includes the main types of waste, representing 97% of the total generated. They are classified as follows: • Slag. • Neutralization sludge. • Smoke dust. • Refractory wastes. • Metal waste or scale.
3.6. Business travel	Primary activity data: trips by train, plane, rental car, and hotel stays. Recorded by the travel agency or internal records. Records of distances and modes of transportation. Maps or online calculators.
3.7. Employee commuting	Primary activity data: number of employees, distance traveled, and mode of transportation used. Mobility survey or internal records. Estimated activity data: distance traveled. Maps or online calculators.
3.8. Upstream leased assets	Non-significant category. Office rental ledger account (62102). The amount in ledger account 62102 for subsidiaries renting offices makes up 0.9% of the total for the Group's account 62102.
3.9. Downstream transport and distribution	Primary activity data: destination data, product weight (tkm), and mode of transport (land, ship, plane, train). Only the one-way distance is considered due to carrier contracts. Estimated activity data: distance traveled. Maps or online calculators and/or published port-to-port travel distances.

Scope 3 Category:	Source of activity data
3. Other indirect GHG emissions:	
3.10. Processing of sold products	Excluded category. Acerinox sells a broad range of products (over 18,000 combinations) for various sectors (transport, industrial equipment and engineering, construction and infrastructure, food industry, household appliances, household goods, energy and environmental technology, aerospace, etc.). In 2024, the company had 13,781 customers. The GHG Technical Guidance for Calculating Scope 3 Emissions notes that emissions from the processing of sold products are sometimes unknown and refers to section 6.4 of the Corporate Value Chain (Scope 3) Accounting and Reporting Standard. If this category cannot be calculated, the exclusion must be explained. International standards (such as EDP PCR, Steel SBTi, or Steel Climate Standard) do not include downstream categories in their scope. Due to data dispersion, estimating this category is not possible.
3.11. Use of sold products	Excluded category. Acerinox sells a broad range of products (over 18,000 combinations) for various sectors (transport, industrial equipment and engineering, construction and infrastructure, food industry, household appliances, household goods, energy and environmental technology, aerospace, etc.). In 2024, the company had 13,781 customers. The GHG Technical Guidance for Calculating Scope 3 Emissions notes that emissions from the processing of sold products are sometimes unknown and refers to section 6.4 of the Corporate Value Chain (Scope 3) Accounting and Reporting Standard. If this category cannot be calculated, the exclusion must be explained. International standards (such as EDP PCR, Steel SBTi, or Steel Climate Standard) do not include downstream categories in their scope. Due to data dispersion, estimating this category is not possible.
3.12. End of life treatment of sold products	Steel is highly recyclable (approximately 95%) with a long lifespan (20-50 years until disposal). According to the Worldstainless study, The Global Life Cycle of Stainless Steels, about 5% of steel ends up in landfill.
3.13. Downstream leased assets	Not significant. Only two subsidiaries lease an asset to third parties. In one case, the lessee does not pay for energy consumption, so emissions are included in scope 1 and 2. In the second case, account 75200 (Rental Income) and the account for land and buildings have been reviewed. Rental income accounts for 2.23% of the subsidiary's Land and Buildings account and 0.03% of the Group's.
3.14. Franchises	Not significant. The Acerinox Group has no franchises.
3.15. Investments	Not significant. The Group's investment entities are not part of our financial statements because they are not material and therefore are not included in the non-financial statements.

8.5 List of material IROs

Impact materiality

ESRS	Acerinox topic	CSRD topic	CSRD subtopic	CSRD sub-subtopic	Description	Scope	Impact	Time
E1	Energy	Climate change	Energy		High energy consumption in factories due to the company's business model	Own operations	Negative	Current
E1	Energy	Climate change	Energy		Use of efficient equipment and heat recovery in furnaces in factories	Own operations	Positive	Current
E1	Climate change	Climate change	Climate change mitigation		Greenhouse gas emissions due to the company's business model	Own operations	Negative	Current
E1	Climate change	Climate change	Climate change mitigation		Reduction of greenhouse gases due to the implementation of measures to mitigate climate change.	Own operations	Positive	Current
E3	Water management	Water and marine resources	Water	Water consumption	Implementation of systems and measures for the minimization and reuse of water resources in all factories (including sanitation, rainwater, groundwater, seawater, etc.)	Own operations	Positive	Potential
E5	Circular economy	Circular economy	Resource input, including resource use		Implementation of circular economy measures through the reuse of scrap metal	Own operations	Positive	Current
E5	Circular economy	Circular economy	Resource input, including resource use		Use of scarce raw materials (i.e. ferroalloys)	Own operations	Negative	Current
S1	Employees	Own workforce	Equal treatment and opportunities for all	Employment and inclusion of people with disabilities	Reassignment to an adapted job in case of incapacity or disability	Own operations	Positive	Current
S1	Employees	Own workforce	Working conditions	Health and safety	High risk of accidents among workers due to the dangerous nature of the work	Own operations	Negative	Current
S2	Supply chain	Workers in the value chain	Working conditions	Health and safety	High risk of accidents among contractors due to the hazardous work performed	Own operations	Negative	Current
S2	Supply chain	Workers in the value chain	Working conditions	All sub-subtopics	Improvement of working conditions for all workers in the upstream value chain of approved suppliers who meet required social criteria for collaboration with Acerinox.	Upstream	Positive	Current

ESRS	Acerinox topic	CSRD topic	CSRD subtopic	CSRD sub-subtopic	Description	Scope	Impact	Time
S2	Supply chain	Workers in the value chain	Equal treatment and opportunities for all Other labor rights	All sub-subtopics All sub-subtopics	Improvement in environmental or human rights conditions due to the approval criteria used by Acerinox, along with evaluation and monitoring of suppliers' periodic performance.	Upstream	Positive	Current
S2	Supply chain	Workers in the value chain	Equal treatment and opportunities for all Other labor rights	All sub-subtopics All sub-subtopics	Training and raising awareness among suppliers on ESG standards compliance by recognized entities, leading to better practices among suppliers	Upstream	Positive	Current
G1	Governance and business ethics	Business conduct	Corporate culture		Promotion of good conduct through the dissemination of the Code of Ethics via internal platforms	Transversal	Positive	Current
G1	Governance and business ethics	Business conduct	Corporate culture		Promotion of corporate tax culture through strict compliance with tax obligations in localities where Acerinox operates	Own operations	Positive	Current

Financial materiality

ESRS	Acerinox topic	CSRD topic	CSRD subtopic	CSRD sub-subtopic	Description	Scope	Risk / opportunity
E1	Energy	Climate change	Energy		Increase in energy costs due to the geopolitical situation	Own operations	Risk
E1	Energy	Climate change	Energy		Increase in energy costs due to Acerinox's high energy consumption attributed to its business model	Own operations	Risk
E1	Energy	Climate change	Energy		Reputational improvement due to the contracting of energy with a guarantee of renewable origin (PPAs and GoOs)	Own operations	Opportunity
E1	Energy	Climate change	Energy		Increase in costs derived from the purchase of electricity due to poor implementation of energy efficiency measures	Own operations	Risk
E1	Energy	Climate change	Energy		Cost reduction due to the implementation of measures such as heat recovery	Own operations	Opportunity
E1	Energy	Climate change	Climate change adaptation		Loss of market share due to non-compliance with CO2 rates	Own operations	Risk
E1	Energy	Climate change	Climate change mitigation		Increase in costs due to non-compliance with CO2 rates	Own operations	Risk
E1	Energy	Climate change	Climate change mitigation		Increase in costs (CAPEX and OPEX) to meet emission reduction targets	Own operations	Risk
E3	Water management	Water and marine resources	Water	Water consumption	Production stoppages have occurred due to water consumption limitations in areas of high water stress, such as Columbus, South Africa, and Algeciras (Spain).	Own operations	Risk
E3	Water management	Water and marine resources	Water	Water consumption	Reputational improvement due to Acerinox's adherence to the UN CEO Water Mandate as a cornerstone for the development of efficiency plans (water consumption and cost) in the management of water resources in our operations	Own operations	Opportunity
E5	Circular economy	Circular economy	Resource outflows related to products and services Waste		Financial penalties resulting from poor waste management	Own operations	Risk
E5	Circular economy	Circular economy	Resource input, including resource use		Increased costs due to price volatility for raw materials and scarce resources (i.e. ferroalloys)	Own operations	Risk
E5	Circular economy	Circular economy	Resource input, including resource use		Cost reductions stemming from the reuse of scrap due to the optimization and increased use of scrap and other recycled materials	Own operations	Opportunity
S1	Employees	Own workforce	Working conditions Other labor rights	All sub-subtopics All sub-subtopics	Improved reputation and increased attractiveness of the company to employees due to better working conditions compared to competitors	Own operations	Opportunity

ESRS	Acerinox topic	CSRD topic	CSRD subtopic	CSRD sub-subtopic	Description	Scope	Risk / opportunity
S1	Employees	Own workforce	Equal treatment and opportunities for all Training and skills development	All sub-subtopics All sub-subtopics	Attraction and retention of employees through the creation of career plans	Own operations	Opportunity
S1	Employees	Own workforce	Working conditions	Health and safety	Low production efficiency due to a high rate of absenteeism in Group companies	Own operations	Risk
S1	Employees	Own workforce	Working conditions	Health and safety	Enhanced reputation due to improved accident rates in operations	Own operations	Opportunity
S2	Supply chain	Workers in the value chain	Working conditions	All sub-subtopics	Reputational loss by having a commercial relationship with suppliers that do not comply with any fundamental human rights as well as environmental and social protection.	Upstream	Risk
S3	Customers and end-users	Affected communities	Economic, social and cultural rights of groups	All sub-subtopics	Loss of customers due to missed delivery dates or compromised product quality	Own operations	Risk

8.6 ESRS table of contents

ESRS2 - IRO 2 Disclosure requirements set forth in the ESRS covered in this report.

Having performed the dual materiality analysis and identified the material sustainability topics, the company presents below the referenced content of the disclosure requirements related to these topics.

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A list of data points included in cross-cutting standards and topic-specific standards derived from other EU legislation is included below:

Disclosure requirement and related data conexo	Reference to the Regulation on benchmark indexes	Reference to European Climate Legislation	Report Section
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Commission Delegated Regulation (EU) 2020/1816 (5), Annex II*		GOV-1: The role of the administrative, management and supervisory bodies
ESRS 2 GOV-1 Percentage of Board members who are independent paragraph 21 (e)	Delegated Regulation (EU) 2020/1816, Annex II		GOV-1: The role of the administrative, management and supervisory bodies
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Delegated Regulation (EU) 2020/1816, Annex II		SBM-1: Strategy, business model and value chain
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ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		SBM-1: Strategy, business model and value chain
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14		Regulation (EU) 2021/1119, Article 2(1)***	E1-1: Transition plan for climate change mitigation
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ESRS E1-4 GHG emission reduction targets paragraph 34	Delegated Regulation (EU) 2020/1818, Article 6		E1-4: Targets related to climate change mitigation and adaptation
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions
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ESRS E1-7 GHG removals and carbon credits paragraph 56		Regulation (EU) 2021/1119, Article 2(1)	E1-7: GHG removals and GHG mitigation projects financed through carbon credits
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		The Company is availing itself of Appendix C: Disclosure and Application Requirements in Topical ESRS that are applicable in conjunction with ESRS 2 General disclosures.
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69	Delegated Regulation (EU) 2020/1818, Annex II		The Company is availing itself of Appendix C: Disclosure and Application Requirements in Topical ESRS that are applicable in conjunction with ESRS 2 General disclosures.
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	Delegated Regulation (EU) 2020/1816, Annex II		S1-1: Policies related to own workforce

ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Delegated Regulation (EU) 2020/1816, Annex II	S1-14: Health and safety metrics
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Delegated Regulation (EU) 2020/1816, Annex II	S1-16: Remuneration metrics (pay gap and total remuneration)
ESRS S1-17: Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)	S1-17: Incidents, complaints and severe human rights impacts
ESRS S1-1: Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)	S1-1: Policies related to own workforce
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	Delegated Regulation (EU) 2020/1816, Annex II	S2-1: Policies related to value chain workers
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)	Non-material. See: IRO-2: Disclosure Requirements in ESRS covered by the undertaking's sustainability statements
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)	S4-1: Consumer and end-user policies
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24(a)	Delegated Regulation (EU) 2020/1816, Annex II	G1-4: Incidents of corruption or bribery

Commission Delegated Regulation (EU) 2020/1816 of July 17, 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).
** Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).
*** Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).
(5) Delegated Regulation (EU) 2020/1816

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Information required by the Non-financial Information Law	Associated reporting criteria 2024 (ESRS / GRI Standard)	Associated reporting criteria 2023 (GRI Standard)	Page / Reference
Finance model			
Taxonomy	Regulation (EU) 2020/852	Regulation (EU) 2020/852	73-78, 151-159
Business model			
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Geographical presence	ESRS 2 SBM-1	2-2 Entities included in the organization's sustainability reporting	59
Organization's objectives and strategies	ESRS 2 SBM-1	3-3 Management of material topics	59
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A description of the policies applied by the Group with regard to these topics, which shall include the due diligence procedures implemented to identify, assess, prevent and mitigate significant risks and impacts, and assurance and control procedures, including the measures taken.	ESRS 2 SBM-3 ESRS E1-2 ESRS E3-1 ESRS E5-1 ESRS S1-1 ESRS S2-1 ESRS S4-1 ESRS G1-1	3-3 Management of material topics	59-64 86 95 101 106-107 118-119 124-125 127-131
The results of such policies, including the pertinent non-financial key performance indicators, enabling progress to be monitored and evaluated and allowing for comparisons to be drawn between companies and industries, in line with the benchmark national, European or international frameworks used for each topic.	ESRS E1-4 ESRS E3-4 ESRS E5-4 ESRS S1-4 ESRS S2-4 ESRS S4-4	3-3 Management of material topics	88-89 98-99 102-103 110-111 122-123 123
The main risks in relation to such topics as regards the Group's activities, including, where pertinent and appropriate, its commercial relations, products or services that may have an adverse impact on such areas, and how the Group manages such risks, explaining the procedures used to detect and assess them in line with the benchmark national, European or international frameworks used for each topic. Information on any impacts detected must be included, providing a breakdown thereof, particularly as regards the main short-, medium- and long-term risks.	ESRS 2 GOV-5 ESRS 2 IRO-1 ESRS E1 IRO-1 ESRS E3 IRO-1 ESRS E5 IRO-1	201-2 Financial implications and other risks and opportunities due to climate change	66-69 59-64 82-85 95 100-101
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Information required by the Non-financial Information Law	Associated reporting criteria 2024 (ESRS / GRI Standard)	Associated reporting criteria 2023 (GRI Standard)	Page / Reference
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Measures taken to improve energy efficiency	ESRS E1-3	3-3 Management of material topics 302-4 Reduction of energy consumption	86-87
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Information required by the Non-financial Information Law	Associated reporting criteria 2024 (ESRS / GRI Standard)	Associated reporting criteria 2023 (GRI Standard)	Page / Reference
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The key elements of the greenhouse gas emissions generated as a result of the Company's activities, including the use of the goods and services it produces.	ESRS E1-6	305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions 305-3 Other indirect (Scope 3) GHG emissions	91-94
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A description of the policies applied by the Group with regard to these topics, which shall include the due diligence procedures implemented to identify, assess, prevent and mitigate significant risks and impacts, and assurance and control procedures, including the measures taken.	ESRS S1-1	3-3 Management of material topics	106-107
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Information required by the Non-financial Information Law	Associated reporting criteria 2024 (ESRS / GRI Standard)	Associated reporting criteria 2023 (GRI Standard)	Page / Reference
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Organization of working time	ESRS S1-1	3-3 Management of material topics	106-107
Absenteeism hours	ESRS S1-14	403-9 Work-related injuries	115-117
Measures aimed at facilitating a work-life balance and encouraging the sharing of responsibilities between both parents	ESRS S1-15	401-3 Parental leave	115

Information required by the Non-financial Information Law	Associated reporting criteria 2024 (ESRS / GRI Standard)	Associated reporting criteria 2023 (GRI Standard)	Page / Reference
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Information required by the Non-financial Information Law	Associated reporting criteria 2024 (ESRS / GRI Standard)	Associated reporting criteria 2023 (GRI Standard)	Page / Reference
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Universal accessibility for people with disabilities	ESRS S1-12	3-3 Management of material topics	112-113
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A description of the policies applied by the Group with regard to these topics, which shall include the due diligence procedures implemented to identify, assess, prevent and mitigate significant risks and impacts, and assurance and control procedures, including the measures taken.	ESRS S2-1	3-3 Management of material topics 408-1 Operations and suppliers at significant risk for incidents of child labor 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	118-119
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The main risks in relation to such topics as regards the Group's activities, including, where pertinent and appropriate, its commercial relations, products or services that may have an adverse impact on such areas, and how the Group manages such risks, explaining the procedures used to detect and assess them in line with the benchmark national, European or international frameworks used for each topic. Information on any impacts detected must be included, providing a breakdown thereof, particularly as regards the main short-, medium- and long-term risks.	SBM-2 SBM-3	3-3 Management of material topics 408-1 Operations and suppliers at significant risk for incidents of child labor 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	117

Information required by the Non-financial Information Law	Associated reporting criteria 2024 (ESRS / GRI Standard)	Associated reporting criteria 2023 (GRI Standard)	Page / Reference
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Action to combat corruption and bribery			
General disclosures			
A description of the policies applied by the Group with regard to these topics, which shall include the due diligence procedures implemented to identify, assess, prevent and mitigate significant risks and impacts, and assurance and control procedures, including the measures taken.	ESRS G1-1	3-3 Management of material topics 205-2 Communication and training about anti-corruption policies and procedures	125-128
The results of such policies, including the pertinent non-financial key performance indicators, enabling progress to be monitored and evaluated and allowing for comparisons to be drawn between companies and industries, in line with the benchmark national, European or international frameworks used for each topic.	ESRS G1-4	3-3 Management of material topics 205-2 Communication and training about anti-corruption policies and procedures	130
The main risks in relation to such topics as regards the Group's activities, including, where pertinent and appropriate, its commercial relations, products or services that may have an adverse impact on such areas, and how the Group manages such risks, explaining the procedures used to detect and assess them in line with the benchmark national, European or international frameworks used for each topic. Information on any impacts detected must be included, providing a breakdown thereof, particularly as regards the main short-, medium- and long-term risks.	ESRS G1-3	3-3 Management of material topics	128-130

Information required by the Non-financial Information Law	Associated reporting criteria 2024 (ESRS / GRI Standard)	Associated reporting criteria 2023 (GRI Standard)	Page / Reference
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A description of the policies applied by the Group with regard to these topics, which shall include the due diligence procedures implemented to identify, assess, prevent and mitigate significant risks and impacts, and assurance and control procedures, including the measures taken.	ESRS E1-2 ESRS E3-1 ESRS E5-1 ESRS S1-1 ESRS S2-1 ESRS S4-1 ESRS G1-1	3-3 Management of material topics 2-23 Policies and commitments	86 95-96 101 106-107 118-119 122 125-128
The results of such policies, including the pertinent non-financial key performance indicators, enabling progress to be monitored and evaluated and allowing for comparisons to be drawn between companies and industries, in line with the benchmark national, European or international frameworks used for each topic.	ESRS E1-5, E1-6 ESRS E3-4 ESRS E5-4, E5-5 ESRS S1-6, S1-7, S1-8, S1-9, S1-10, S1-12, S1-13, S1-14, S1-15, S1-16	3-3 Management of material topics 2-23 Policies and commitments	90-94 134 98-100 111-117
The main risks in relation to such topics as regards the Group's activities, including, where pertinent and appropriate, its commercial relations, products or services that may have an adverse impact on such areas, and how the Group manages such risks, explaining the procedures used to detect and assess them in line with the benchmark national, European or international frameworks used for each topic. Information on any impacts detected must be included, providing a breakdown thereof, particularly as regards the main short-, medium- and long-term risks.	SBM-3	2-3 Risk management 3-3 Management of material topics	62-64 80-81 106 117-118, 122
Company commitments to sustainable development			
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Impact of the Company's activity on the local populations and area	ESRS S2-5	204-1 Proportion of spending on local suppliers 413-1 Operations with local community engagement, impact assessments, and development programs	121

Information required by the Non-financial Information Law	Associated reporting criteria 2024 (ESRS / GRI Standard)	Associated reporting criteria 2023 (GRI Standard)	Page / Reference
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Attention given to social and environmental responsibility in relations with suppliers and subcontractors	ESRS S2-3, S2-4	2-6 Activities, value chain and other business relationships 308-1 New suppliers that were screened using environmental criteria 414-1 New suppliers that were screened using social criteria	120-121
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Grievance mechanisms, complaints received and resolution thereof	418-1 Reclamaciones fundamentadas relativas a violaciones de la privacidad del cliente y pérdida de datos del cliente	3-3 Management of material topics 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	During 2024, 9,950 claims have been received, of which 9,273 have been resolved and 677 were in the process of being finalized at the end of the year (11,206 received, 10,322 resolved and 884 pending in 2023). No complaints have been received regarding violations of customer privacy and loss of data.
Tax-related information			
Profits obtained by country	207-4 Country-by-country reporting	207-4 Country-by-country reporting	149 EUR 355.345 million in 2023

Information required by the Non-financial Information Law	Associated reporting criteria 2024 (ESRS / GRI Standard)	Associated reporting criteria 2023 (GRI Standard)	Page / Reference
Corporate income tax paid	207-4 Country-by-country reporting	207-4 Country-by-country reporting	147-149
Government subsidies received	207-4 Country-by-country reporting	201-4 Financial assistance received from government	EUR 29.963 million in 2024 EUR 45.979 million in 2023

8.8 External assurance report

Acerinox, S.A. and its subsidiaries

Limited assurance report issued by a practitioner on the Consolidated Statement of Non-Financial Information and Sustainability Information for the year ended 31 December 2024

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.

Limited assurance report issued by a practitioner on the Consolidated Statement of Non-Financial Information and Sustainability Information

To the shareholders of Acerinox, S.A. on behalf of the management:

Limited assurance conclusion

Pursuant to article 49 of the Code of Commerce, we have conducted a limited assurance engagement on the accompanying Consolidated Statement of Non-Financial Information (hereinafter "SNFI") for the year ended 31 December 2024 of Acerinox, S.A. (hereinafter the Parent company) and its subsidiaries (hereinafter the Group), which forms part of the Group's consolidated management report.

The SNFI includes information in addition to that required by current commercial regulations on non-financial information, specifically, it includes the Sustainability Information prepared by the Group for the year ended 31 December 2024 (hereinafter, the sustainability information) in accordance with the Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022, as regards corporate sustainability reporting (CSRD). This sustainability information has also been subject to limited assurance procedures.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that:

a) the Group's Statement of Non-Financial Information for the year ended 31 December 2024 is not prepared, in all material respects, in accordance with current commercial regulations and in accordance with the selected criteria of the European Sustainability Reporting Standards (ESRS), as well as with those other criteria described as mentioned for each topic in the table of the annex 8.7 of the aforementioned Statement;

b) the sustainability information as a whole is not prepared, in all material respects, in accordance with the sustainability reporting framework applied by the Group and which is identified in the accompanying note 7.1, including:

- That the description provided of the process for identifying the sustainability information included in note 7.1 is consistent with the process in place and enables the identification of the material information to be disclosed in accordance with the requirements of ESRS.
- Compliance with ESRS.

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- Compliance with the disclosure requirements, included in subsection [indicate the subsection] of the environment section of the sustainability information with the provisions of article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investments.

Basis for conclusion

We conducted our limited assurance engagement in accordance with generally accepted professional standards applicable in Spain and specifically in accordance with the guidelines contained in Guides 47 Revised and 56 issued by the *Instituto de Censores Jurados de Cuentas de España* on assurance engagements regarding non-financial information and considering the contents of the note published by the *Instituto de Contabilidad y Auditoría* (ICAC) dated 18 December 2024 (hereinafter, generally accepted professional standards).

In a limited assurance engagement, the procedures applied are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under these standards are further described in the *Practitioner's responsibilities* section of our report.

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

The firm applies International Standard on Quality Management 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.

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

Responsibilities of the Parent company’s directors

The preparation of the SNFI included in the Group's consolidated management report, as well as its content, is the responsibility of the directors of Acerinox, S.A. The SNFI has been prepared in accordance with prevailing commercial regulations and in accordance with the ESRS criteria selected, as well as those other criteria described in accordance with the aforementioned for each topic in the annex 8.7 in the aforementioned Statement.

This responsibility also encompasses designing, implementing and maintaining such internal control as is determined to be necessary to enable the preparation of the SNFI that is free from material misstatement, whether due to fraud or error.

The directors of Acerinox, S.A. are also responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the SNFI is obtained.

With regard to the sustainability information, the Parent company's directors are responsible for developing and implementing a process to identify the information that should be included in the sustainability information in accordance with the CSRD, ESRS and as set out in article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020, and for disclosing information about this process in the sustainability information itself in note 7.1. This responsibility includes:

- understanding the context in which the Group's business activities and relationships are conducted, as well as its stakeholders, with regard to the Group's impacts on people and the environment;
- identifying the actual and potential impacts (both negative and positive), as well as the risks and opportunities that could affect, or could reasonably be expected to affect, the Group's financial position, financial results, cash flows, access to finance or cost of capital over the short, medium or long term;
- assessing the materiality of the impacts, risks and opportunities identified; and
- making assumptions and estimates that are reasonable under the circumstances.

The Parent company's directors are also responsible for the preparation of the sustainability information, which includes the information identified by the process, in accordance with the sustainability reporting framework applied, including compliance with the CSRD, compliance with ESRS and compliance with the disclosure requirements included in subsection“Taxonomía europea de finanzas sostenibles” from the section on the environment and Annex 8.3 of the environment section of the sustainability information in accordance with the provisions of article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment.

This responsibility includes:

- Designing, implementing and maintaining such internal control as the Parent company's directors consider to be relevant to enable the preparation of sustainability information that is free from material misstatement, whether due to fraud or error.
- Selecting and applying appropriate methods for the presentation of sustainability information and making assumptions and estimates that are reasonable in the circumstances about specific disclosures.

Inherent limitations in preparing the information

In accordance with ESRS, the Parent company's directors are required to prepare prospective information based on assumptions and hypotheses, which should be included in the sustainability information, regarding events that could occur in the future, as well as possible future actions, where appropriate, that the Group could take. Actual results may differ significantly from estimated results since they refer to the future and future events often do not occur as expected.

In determining disclosures relating to sustainability information, the Parent company's directors interpret legal and other terms that are not clearly defined and could be interpreted differently by others, including the legality of such interpretations and, consequently, they are subject to uncertainty.

Practitioner's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the SNFI and sustainability information are free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of this information.

As part of a limited assurance engagement, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Design and perform procedures to assess whether the process for identifying the information included in both the SNFI and the sustainability information is consistent with the description of the process followed by the Group and enables, where appropriate, the identification of the material information to be disclosed in accordance with ESRS requirements.

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify the disclosures in respect of which material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control.

- Design and perform procedures responsive to where material misstatements are likely to arise in the disclosures included in the SNFI and sustainability information. 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.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence to support our conclusions. The nature, timing and extent of procedures selected depend on professional judgement, including the identification of the disclosures where material misstatements are likely to arise, whether due to fraud or error, in the SNFI and in the sustainability information.

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

In relation to the process of verifying the SNFI:

- Meetings with Group personnel to understand the business model, policies and management approaches applied and the main risks related thereto, and obtaining the information required for the external review.

- Analysis of the scope, relevance and completeness of the content of the SNFI for the 2024 year based on the materiality analysis performed by the Group and described in section 7.1, taking into account the content required under prevailing commercial legislation.

- Analysis of the processes to compile and validate the information presented in the SNFI for the 2024 year.

- Review of information concerning risks, policies and management approaches applied in relation to material matters presented in the SNFI for the 2024 year.

- Verification, by means of sample testing, of the information relating to the content of the SNFI for the 2024 year and its adequate compilation using data obtained from the information sources.

In relation to the process of verifying the sustainability information:

- Making enquiries of the Group's personnel:
  - in order to understand the business model, policies and management approaches applied and the main risks related thereto, and obtaining the information required for the external review.
  - in order to understand the source of the information used by management (for example, engagement with stakeholders, business plans and strategy documents); and the review of the Group's internal documentation on its process;
- Obtaining, through enquiries of Group personnel, an understanding of the entity's relevant processes for collecting, validating and presenting information for the preparation of its sustainability information.
- Evaluating the consistency of the evidence obtained from our procedures on the process implemented by the Group for determining the information that should be included in the sustainability information with the description of the process included in such information, as well as the evaluation of whether the aforementioned process implemented by the Group enables the identification of material information to be disclosed according to ESRS requirements.
- Evaluating whether all the information identified in the process implemented by the Group for determining the information that should be included in the sustainability information is in fact included.
- Evaluating the consistency of the structure and presentation of the sustainability information with the requirements of ESRS and the rest of the regulatory framework on sustainability information applied by the Group.
- Making enquiries of relevant personnel and performing analytical procedures on the information disclosed in the sustainability information, considering such information in respect of which material misstatements are likely to arise, whether due to fraud or error.
- Performing, where appropriate, substantive procedures on a sample basis on the information disclosed in the selected sustainability information, considering such information in respect of which material misstatements are likely to arise, whether due to fraud or error.
- Obtaining, where applicable, the reports issued by accredited independent third parties appended to the consolidated management report in response to the requirements of European regulations and, in relation to the information to which they refer and in accordance with generally accepted professional standards, verifying only the practitioner's accreditation and that the scope of the report issued is aligned with the requirements of European regulations.
- Obtaining, where appropriate, the documents that contain the information incorporated by reference, the reports issued by auditors or practitioners on such documents and, in accordance with generally accepted professional standards, verifying only that the document to which the information incorporated by reference refers meets the conditions described in ESRS for the incorporation of information by reference in the sustainability information.

- Obtaining a representation letter from the Parent company's directors and management in relation to the SNFI and sustainability information.

Other information

The Parent company’s directors are responsible for the other information. The other information comprises the consolidated annual accounts and the rest of the information included in the consolidated management report, but does not include either the auditors' report on the consolidated annual accounts or the assurance reports issued by accredited independent third parties as required by European Union law on specific disclosures contained in the sustainability information and appended to the consolidated management report.

Our assurance report does not cover the other information, and we do not express any form of assurance conclusion thereon.

With regard to our assurance engagement regarding the sustainability information, our responsibility consists of reading the other information identified above and, in doing so, considering whether the other information is materially inconsistent with the sustainability information or the knowledge we have obtained during the assurance engagement, which may be indicative of the existence of material misstatements in the sustainability information.

PricewaterhouseCoopers Auditores S.L.

Original in Spanish signed by
Ignacio Rodríguez-Guanter Asporosa

27 February 2025

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