Acerinox, S.A. and its subsidiaries

Auditor's report
Consolidated annual accounts as at 31 December 2025
Consolidated management report

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

Independent auditor's report on the consolidated annual accounts

To the shareholders of Acerinox, S.A.

Report on the consolidated annual accounts

Opinion

We have audited the consolidated annual accounts of Acerinox, S.A. (the Parent company) and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2025, and the profit or loss account, statement of comprehensive income, statement of changes in equity, cash flow statement and related notes, all consolidated, for the year then ended.

In our opinion, the accompanying consolidated annual accounts present fairly, in all material respects, the equity and financial position of the Group as at 31 December 2025, as well as its financial performance and cash flows, all consolidated, for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

Basis for opinion

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

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

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

Key audit matters

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

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

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Key audit matters	How they have been treated in the audit
Assessment of the recovery of the carrying amount of the Group's property, plant and equipment	
As indicated in notes 2.11 and 9.1 of the accompanying consolidated financial statements, at the end of each financial year, the Group's management assesses whether there are indications of impairment of property, plant and equipment. In the event of such an indication, the Group's management estimates its recoverable amount in order to analyse the need to record impairment. When the asset under analysis does not generate cash flows independent of other assets, the recoverable value of the cash-generating unit (CGU) in which the asset has been included is estimated. Note 9.1 details the CGUs that show signs of impairment for which the recoverable value of their assets has been estimated. For the calculations of recoverable value through value in use, the Group's management uses cash flow projections based on financial budgets that require relevant judgements and estimates. In the case of Acerinox Europa, S.A. and Columbus Stainless Pty Ltd, the Group's management has relied on an independent expert. The key assumptions and sensitivity analyses carried out are summarised in note 9.1 of the accompanying consolidated financial statements. As a result of the analysis carried out, it has not been necessary to record any deterioration. Deviations from the variables and estimates indicated above may lead to significant variations in the conclusions reached and, therefore, in the assessment of the recovery of the carrying amount of the Group's property, plant and equipment. This fact, together with the relevance of this heading, has led to it being a key issue for our audit.	As a starting point for our procedures, we have understood the relevant processes and controls linked to the assessment of impairments in property, plant and equipment by the Group's management, including those linked to the preparation of budgets and the analysis and monitoring of projections, which constitute the basis for the main judgements and estimates made by the Group's management. For the Group's cash-generating units (CGUs) with signs of impairment, we have assessed, with the collaboration of our experts, the adequacy of the valuation models used, as well as the key assumptions and estimates used to determine the cash flows considered by the Group's management. We have also checked the mathematical accuracy of the calculations and models prepared by management and have compared the recoverable amount calculated by management with the net book value of property, plant and equipment. We have also evaluated the competence, capacity, objectivity and conclusions of the independent expert hired by management, as well as the adequacy of his work as audit evidence. Finally, we have assessed the reasonableness of the sensitivity analyses broken down in the accompanying consolidated financial statements. As a result of our procedures, no essential observations have been revealed to be noted.

Assessment of the recovery of the carrying amount of goodwill

The accompanying consolidated financial statements present goodwill, as detailed in note 8, for an amount of €164,486 thousand as of December 31, 2025.

At the end of the year, the Group's management assesses the recoverable value of goodwill and makes valuation adjustments whenever there is objective evidence that the carrying amount of goodwill is not recoverable.

For the calculations of the recoverable value of the cash-generating unit (CGU) in which goodwill is included, the Group's management uses cash flow projections based on financial budgets that require relevant judgements and estimates. The key assumptions used by the Group's management and the sensitivity analyses carried out are summarised in note 8.1 of the accompanying consolidated financial statements.

As a result of the analysis carried out, it has not been necessary to record any deterioration.

Deviations in these variables and management's estimates may determine significant variations in the calculations made and, therefore, in the assessment of the recovery of the carrying amount of goodwill.

This fact, together with the relevance of the heading, has led to it being a key issue for our audit.

First, we have proceeded to understand the relevant processes and controls linked to the assessment of the carrying amount of goodwill by Group management, including those related to the determination of the key assumptions considered in management's estimates.

For the Group's goodwill, we have evaluated, with the collaboration of our experts, the adequacy of the valuation models used, the key assumptions and estimates used to determine the cash flows considered by management in determining the recoverable value of said goodwill. We have also checked the mathematical accuracy of the calculations and models prepared by management and have compared the recoverable amount calculated by management with the net book value of the Group's goodwill.

In addition, we have assessed the reasonableness of the sensitivity analyses detailed in the accompanying consolidated financial statements.

As a result of our procedures, no essential observations have been revealed to be noted.

Recognition of deferred tax assets

As of December 31, 2025, the accompanying consolidated financial statements reflect an amount of €142,403 thousand of deferred tax assets, net of €70,099 thousand of deferred tax liabilities, the recovery of which depends on the generation of positive corporate income tax bases in future years. in accordance with the applicable tax regulations (notes 2.19, 3.h and 20.3 of the accompanying consolidated financial statements).

In addition, note 20.3.2 of the accompanying consolidated financial statements shows a breakdown of tax credits not recognised as an asset for accounting purposes because they do not comply with the recognition requirements.

Firstly, we have proceeded to understand and evaluate the criteria used by the Group's management to estimate the possibilities of using and recovering deferred tax assets in the following years.

We have analysed whether the calculations and estimates made by the Group, as well as the conclusions reached, in relation to the amount that is considered likely to be recovered from deferred tax assets, are consistent with the applicable accounting regulations, with current tax regulations, and the expectations of future tax results of the Group.

In accordance with applicable accounting standards, deferred tax assets are recognised to the extent that it is likely that there will be a tax benefit against which they can be used in view of the tax legislation in force in the various jurisdictions where it operates and the latest approved strategic plans.

Accordingly, the conclusion on the recognition of deferred tax assets shown in the accompanying consolidated balance sheet is subject to significant judgements and estimates by the Group's management.

Given the relevance of the amount recognised and pending recognition, the significant judgements required and estimates necessary for the calculation of future tax bases, the recognition of deferred tax assets has been a key issue in our audit.

As part of the analyses, we have also evaluated the tax adjustments considered for the estimation of tax bases, the applicable tax regulations, as well as the decisions regarding the possibilities of using the tax benefits corresponding to the different companies of the Group.

The analyses carried out have made it possible to verify that the calculations and estimates made by the Group's management, as well as the conclusions reached, in relation to the recognition of deferred tax assets, are consistent with the applicable accounting regulations, the current situation, the Group's expectations of future results and with its tax planning possibilities available in current legislation.

Other information: Consolidated management report

Other information comprises only the consolidated management report for the 2025 financial year, the formulation of which is the responsibility of the Parent company's directors and does not form an integral part of the consolidated annual accounts.

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

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

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

On the basis of the work performed, as described above, we have verified that the information mentioned in section a) above has been provided in the manner required by applicable legislation and that the rest of the information contained in the consolidated management report is consistent with that contained in the consolidated annual accounts for the 2025 financial year, and its content and presentation are in accordance with applicable regulations.

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

The Parent company's directors are responsible for the preparation of the accompanying consolidated annual accounts, such that they fairly present the consolidated equity, financial position and financial performance of the Group, in accordance with IFRS-EU and other provisions of the financial reporting framework applicable to the Group in Spain, and for such internal control as the aforementioned directors

determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

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

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

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and

review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Parent company's audit commission with a statement that we have complied with ethical requirements relating to independence and we communicate with the aforementioned those matters that may reasonably be considered to threaten our independence and, where applicable, the safeguards adopted to eliminate or reduce such threat.

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

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

Report on other legal and regulatory requirements

European single electronic format

We have examined the digital files of the European single electronic format (ESEF) of Acerinox, S.A. and its subsidiaries for the 2025 financial year that comprise an XHTML file which includes the consolidated annual accounts for the financial year and XBRL files with tagging performed by the entity, which will form part of the annual financial report.

The directors of Acerinox, S.A. are responsible for presenting the annual financial report for the 2025 financial year in accordance with the formatting and markup requirements established in the Delegated Regulation (EU) 2019/815 of 17 December 2018 of the European Commission (hereinafter the ESEF Regulation). In this regard, the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration have been incorporated by reference in the consolidated management report.

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

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

Report to the audit commission of the Parent company

The opinion expressed in this report is consistent with the content of our additional report to the audit commission of the Parent company dated 25 February 2026.

Appointment period

The General Ordinary Shareholders' Meeting held on 6 May 2025 appointed us as auditors of the Group for a period of one year, for the year ended 31 December 2025.

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

Services provided

Services provided to the Group for services other than the audit of the accounts are disclosed in note 22 to the consolidated annual accounts.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Original in Spanish signed by

Ignacio Rodríguez-Guanter Asporosa (24231)

26 February 2026

ACERINOX, S.A. AND SUBSIDIARIES

Consolidated Financial Statements of the Acerinox Group

December 31, 2025

In-house translation of the original Spanish version.
This version does not constitute an official translation.
In the event of any discrepancy, the original Spanish version prevails.

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CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Figures in thousands of euros at December 31, 2025 and 2024)

ASSETS	Note	2025	2024 (*)
Non-current assets			
Goodwill	8	164,486	179,346
Other intangible assets	8	117,963	136,433
Property, plant and equipment	9	1,882,255	1,852,632
Investment property	10	25,091	32,067
Rights of use assets	11	20,223	22,542
Investments accounted for using the equity method	6.3	390	390
Financial assets at fair value through other comprehensive income	13	282	413
Deferred tax assets	20	142,403	177,683
Other non-current assets	12, 17	29,790	13,085
TOTAL NON-CURRENT ASSETS		**2,382,883**	**2,414,591**
Current assets			
Inventories	12	1,678,592	2,061,560
Trade and other receivables	13	546,720	619,107
Other current financial assets	13	14,197	91,292
Current income tax assets	20	28,246	17,827
Cash and cash equivalents	14	969,890	1,262,806
TOTAL CURRENT ASSETS		**3,237,645**	**4,052,592**
TOTAL ASSETS		**5,620,528**	**6,467,183**

(*) 2024 figures restated due to the provisional closing of the goodwill valuation under IFRS-3 (See Note 6.1)

The accompanying Notes 1 to 23 are an integral part of these Consolidated Financial Statements.

(Figures in thousands of euros at December 31, 2025 and 2024)

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	2025	2024
Equity			
Subscribed capital	15	62,334	62,334
Issue premium	15	268	268
Reserves	15	2,349,945	2,260,462
Profit/(loss) for the year	15	-40,074	224,946
Interim dividend	15	-77,292	-77,286
Translation differences	15	-237,539	51,248
Other equity instruments	15	6,425	5,591
Shares of the Parent	15	-97	-246
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY		**2,063,970**	**2,527,317**
Non-controlling interests	15	33,663	47,754
TOTAL EQUITY		**2,097,633**	**2,575,071**
Non-current liabilities			
Deferred income	16	29,355	45,891
Bank borrowings	13	1,321,519	1,464,314
Non-current provisions	17	217,067	233,180
Deferred tax liabilities	20	222,484	248,279
Other non-current financial liabilities	13	18,404	23,533
TOTAL NON-CURRENT LIABILITIES		**1,808,829**	**2,015,197**
Current liabilities			
Bank borrowings	13	836,970	918,737
Trade and other payables	13	775,200	817,226
Current income tax liabilities	20	21,014	46,532
Other current financial liabilities	13	80,882	94,420
TOTAL CURRENT LIABILITIES		**1,714,066**	**1,876,915**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**5,620,528**	**6,467,183**

(*) 2024 figures restated due to the provisional closing of the goodwill valuation under IFRS-3 (See Note 6.1)

The accompanying Notes 1 to 23 are an integral part of these Consolidated Financial Statements.

2. CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(Figures in thousands of euros at December 31, 2025 and 2024)

	Note	2025	2024
Revenue	**18**	**5,780,513**	**5,413,128**
Other operating income	18	66,369	35,148
Work performed by the Group on non-current assets	18	4,439	2,991
Changes in inventories of finished goods and work in progress		-261,485	-133,174
Supplies		-3,461,820	-3,423,060
Staff costs	18	-824,098	-670,957
Depreciation and amortization charge	8,9,10,11	-195,472	-159,910
Other operating expenses	18	-955,270	-865,213
Gain (loss) on sale of shares	6	–	146,064
Impairment of assets	8.9	–	3,086
OPERATING INCOME		**153,176**	**348,103**
Finance income	19	41,914	91,605
Finance costs	19	-93,427	-108,114
Exchange differences	19	-9,681	1,183
Revaluation of financial instruments at fair value	19	-2,081	8,825
Impairment and loss on disposal of financial instruments	19	-100	–
PROFIT FROM ORDINARY ACTIVITIES		**89,801**	**341,602**
Income tax	20	-143,219	-126,310
Other taxes	20	-799	-645
PROFIT/(LOSS) FOR THE YEAR		**-54,217**	**214,647**
Attributable to:			
NON-CONTROLLING INTERESTS		**-14,143**	**-10,299**
NET INCOME (LOSS) ATTRIBUTABLE TO THE GROUP		**-40,074**	**224,946**
Basic and diluted earnings per share (in euros)	15.9	-0.16	0.90

The accompanying Notes 1 to 23 are an integral part of these Consolidated Financial Statements.

3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Figures in thousands of euros at December 31, 2025 and 2024)

	Note	2025	2024
A) RESULTS OF THE STATEMENT OF PROFIT OR LOSS		**-54,217**	**214,647**
B) OTHER COMPREHENSIVE INCOME - ITEMS NOT RECLASSIFIED TO PROFIT OR LOSS FOR THE PERIOD		**13,106**	**2,681**
1. Arising from valuation of equity instruments at fair value through other comprehensive income	13.2.5	–	–
2. Arising from actuarial gains and losses and other adjustments	17.1	17,652	4,030
3. Tax effect	20	-4,546	-1,349
C) OTHER COMPREHENSIVE INCOME - ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS FOR THE PERIOD		**-280,856**	**49,856**
1. Arising from cash flow hedges			
- Valuation gains / (losses)	13.2.6	5,847	-8,648
- Amounts transferred to the income statement	13.2.6	6,549	-7,085
2. Translation differences			
- Valuation gains / (losses)		-288,807	155,611
- Amounts transferred to the income statement		–	-94,408
3. Tax effect	20	-4,445	4,386
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**-321,967**	**267,184**
a) Attributed to the parent company		-307,804	275,493
b) Attributed to non-controlling interests		-14,163	-8,309

The accompanying Notes 1 to 23 are an integral part of these Consolidated Financial Statements.

4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Figures in thousands of euros at December 31, 2025 and 2024)

		Equity attributable to shareholders of the parent company												
		Subscribed capital	Issue premium	Retained earnings reserves (includes profit/(loss) for the year)	Reserves for revaluation of non-current assets	Cash flow hedge reserves	Reserve for actuarial adjustments	Translation differences	Other equity instruments	Treasury shares	Interim dividend	TOTAL	Non-controlling interests	TOTAL EQUITY
Equity December 12/31/2023		**62,334**	**268**	**2,385,389**	**5,242**	**7,881**	**29,465**	**-7,990**	**4,157**	**-1,055**	**-77,261**	**2,408,430**	**54,696**	**2,463,126**
Profit/(loss) for the year 2024	**Note**	**0**	**0**	**224,946**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**224,946**	**-10,299**	**214,647**
Cash flow hedges (net of tax)	13.2.6	–	–	–	–	-11,347	–	–	–	–	–	**-11,347**	–	**-11,347**
Actuarial valuation of employee benefit obligations (net of tax)	17.1	–	–	–	–	–	2,656	–	–	–	–	**2,656**	25	**2,681**
Translation differences	15.4	–	–	–	–	–	–	59,238	–	–	–	**59,238**	1,965	**61,203**
Income and expenses recognized in equity		**–**	**–**	**–**	**–**	**-11,347**	**2,656**	**59,238**	**–**	**–**	**–**	**50,547**	**1,990**	**52,537**
Total comprehensive income		**0**	**0**	**224,946**	**0**	**-11,347**	**2,656**	**59,238**	**0**	**0**	**0**	**275,493**	**-8,309**	**267,184**
Interim dividend	15.2	–	–	–	–	–	–	–	–	–	-77,286	**-77,286**	–	**-77,286**
Dividends paid	15.2	–	–	-154,522	–	–	–	–	–	–	77,261	**-77,261**	–	**-77,261**
Transactions with shareholders		**0**	**0**	**-154,522**	**0**	**0**	**0**	**0**	**0**	**0**	**-25**	**-154,547**	**0**	**-154,547**
Acquisition of treasury shares	15.1	–	–	–	–	–	–	–	–	-961	–	**-961**	–	**-961**
Acquisition of non-controlling interests	6.2	–	–	-599	–	–	–	–	–	–	–	**-599**	1,280	**681**
Long-term incentive plan for senior executives	17.1.3	–	–	-864	–	–	–	–	1,434	1,770	–	**2,340**	63	**2,403**
Hyperinflation adjustments	15.6	–	–	1,406	–	–	–	–	–	–	–	**1,406**	–	**1,406**
Other changes	15.4	–	–	-4,246	1	–	–	–	–	–	–	**-4,245**	24	**-4,221**
Equity December 12/31/2024		**62,334**	**268**	**2,451,510**	**5,243**	**-3,466**	**32,121**	**51,248**	**5,591**	**-246**	**-77,286**	**2,527,317**	**47,754**	**2,575,071**
Profit/(loss) for the year 2025		**0**	**0**	**-40,074**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-40,074**	**-14,143**	**-54,217**
Cash flow hedges (net of tax)	13.2.6	–	–	–	–	7,951	–	–	–	–	–	**7,951**	–	**7,951**
Actuarial valuation of employee benefit obligations (net of tax)	17.1	–	–	–	–	–	13,106	–	–	–	–	**13,106**	–	**13,106**
Translation differences	15.4	–	–	–	–	–	–	-288,787	–	–	–	**-288,787**	-20	**-288,807**
Income and expenses recognized in equity		**–**	**–**	**–**	**–**	**7,951**	**13,106**	**-288,787**	**–**	**–**	**–**	**-267,730**	**-20**	**-267,750**
Total comprehensive income		**0**	**0**	**-40,074**	**0**	**7,951**	**13,106**	**-288,787**	**0**	**0**	**0**	**-307,804**	**-14,163**	**-321,967**
Interim dividend		–	–	–	–	–	–	–	–	–	-77,292	**-77,292**	–	**-77,292**
Dividends paid	15.2	–	–	-154,576	–	–	–	–	–	–	77,286	**-77,290**	–	**-77,290**
Transactions with shareholders		**0**	**0**	**-154,576**	**0**	**0**	**0**	**0**	**0**	**0**	**-6**	**-154,582**	**0**	**-154,582**
Acquisition of treasury shares	15.1	–	–	–	–	–	–	–	–	-718	–	**-718**	–	**-718**
Long-term incentive plan for senior executives	17.1.3	–	–	648	–	–	–	–	834	864	–	**2,346**	53	**2,399**
Hyperinflation adjustments	15.6	–	–	488	–	–	–	–	–	–	–	**488**	–	**488**
Other changes	15.4	–	–	-3,080	–	–	–	–	–	3	–	**-3,077**	19	**-3,058**
Equity December 12/31/2025		**62,334**	**268**	**2,254,916**	**5,243**	**4,485**	**45,227**	**-237,539**	**6,425**	**-97**	**-77,292**	**2,063,970**	**33,663**	**2,097,633**

The accompanying Notes 1 to 23 are an integral part of these Consolidated Financial Statements.

5. CONSOLIDATED STATEMENTS OF CASH FLOWS

(Figures in thousands of euros at December 31, 2025 and 2024)

CASH FLOWS FROM OPERATING ACTIVITIES	Note	2025	2024
Pretax income		**89,801**	**341,602**
Adjustments to the result:			
Depreciation of fixed assets	8,9,10,11	195,472	159,910
Impairment losses	9.12	26,615	-37,244
Changes in provisions		1,569	2,129
Allocation of subsidies	16	-22,495	-7,689
Gain or loss on disposal of fixed assets	9.10	910	590
Gain (loss) on disposal of financial instruments		100	-146,064
Changes in fair value of financial instruments		-6,484	-4,374
Finance income	19	-41,914	-91,605
Finance costs	19	92,843	106,378
Other income and expenses		8,000	5,057
Variations in working capital:			
(Increase)/decrease in trade and other receivables		49,530	100,590
(Increase) / decrease in inventories		284,826	199,057
Increase / (decrease) in trade and other payables		-14,879	-193,047
Other cash flows from operating activities			
Interest payments		-88,228	-101,142
Interest income		41,158	90,727
Income tax paid		-161,335	-131,202
NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES		**455,489**	**293,673**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		-304,954	-202,323
Acquisition of intangible fixed assets		-4,849	-2,462
Dependent acquisition net of cash acquired	6	0	-709,289
Acquisition of other financial assets		-1,285	-593
Proceeds from disposal of property, plant and equipment		169	596
Proceeds from disposal of other financial assets		33	378
Dividends received		344	455
Other receivables / (payments) for divestments	6	68,268	16,778
NET CASH FLOWS PROVIDED BY INVESTING ACTIVITIES		**-242,274**	**-896,460**
Issuance of own equity instruments		0	-48
Acquisition of treasury shares	15	-718	-960
Collection of third-party resources	13.2.3	453,201	1,010,654
Repayment of interest-bearing liabilities	13.2.3	-686,102	-891,136
Dividends paid	15	-154,576	-154,538
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		**-388,195**	**-36,028**
NET INCREASE IN CASH AND CASH EQUIVALENTS		**-174,980**	**-638,815**
Cash and cash equivalents at beginning of year	14	1,262,806	1,793,683
Effect of changes in exchange rates		-117,936	107,938
CASH AND CASH EQUIVALENTS AT YEAR-END	14	**969,890**	**1,262,806**

The accompanying Notes 1 to 23 are an integral part of these Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – GENERAL INFORMATION

Name of the Parent: Acerinox, S.A. (hereinafter, "the Company").

Incorporation: the Company was incorporated as a public limited liability company for an indefinite period of time on September 30, 1970.

Registered office: calle Santiago de Compostela, nº 100, Madrid - Spain.

Corporate purpose and main business activities: the Group's main business activities, which coincide with the Corporate purpose, consist of the manufacture, processing and marketing of stainless-steel products and special alloys. These activities are performed through its subsidiaries.

The Acerinox Group is an international manufacturer and distributor of stainless steel and high-performance alloys and is one of the most competitive companies in its industry. Present on all five continents, the Group is a leader in the stainless-steel markets in the United States and Africa, and one of the best positioned companies in the sector in Europe. It is also the world's leading company in the production of high-performance alloys sector.

As explained in the 2024 Financial Statements, on November 21, 2024, the Group completed the acquisition of Haynes International, strengthening Acerinox's position in the high-performance alloys segment, as well as in the attractive US market and aerospace sector. **Note 6** includes detailed information on this transaction. Haynes, together with VDM, is part of the Acerinox Group's High-Performance alloys Division. Haynes is headquartered in Kokomo, Indiana, where its main plant is located, and has other plants in Louisiana and North Carolina. It also has sales subsidiaries and service centers in other European countries and in Asia.

The Acerinox Group has five stainless-steel factories on three continents, located in Campo de Gibraltar, Ponferrada and Igualada (Spain), Ghent (Kentucky, USA) and Middelburg (Mpumalanga, South Africa). The High-Performance Alloys Division, consisting of VDM Metals and Haynes International, operates 10 production centers across Germany and the United States: five in Germany (Unna, Duisburg, Siegen, Werdohl, and Altena) and five in the United States (New Jersey, Nevada, Indiana, Louisiana, and North Carolina). The Group also has an extensive distribution network that enables it to sell in more than 80 countries.

On the other hand, as was explained in the 2024 Financial Statements, and as detailed in **Note 6**, on December 3, 2024, the Group sold the Malaysia-based subsidiary Bahru Stainless Sdn Bhd Group. Production overcapacity in this market and price pressure motivated the sale. However, the Group continues to maintain a commercial subsidiary in that country, which will allow it to continue to supply the Asian market with less commodity and high value-added products from other Group factories.

Note 6.3 details all the companies included in the scope of consolidation of Acerinox and the business activities they each perform.

The Parent's main business activity is that of a holding company, in its condition as the parent of the Acerinox Group. Acerinox, S.A. approves and supervises the strategic business areas. It also provides various corporate services (including legal, accounting and consulting) and is responsible for the management and administration of financing within the Group.

Fiscal year: the fiscal year of Acerinox, S.A. and of all its Group companies covers 12 months. It begins on January 1 and ends on December 31. As detailed in the financial statements for 2024, on January 1, 2025, an amendment was made to the bylaws changing the fiscal and accounting year to the calendar year for the companies that make up the Haynes Group, with the fiscal year beginning on January 1, 2025, and ending on December 31, 2025. Therefore, all balances as of December 31, 2025 are included.

Authorization for issue of the financial statements: these consolidated financial statements were authorized for issue by the Board of Directors of Acerinox, S.A., on February 25, 2026.

NOTE 2 – ACCOUNTING POLICIES

2.1 Declaration of conformity

These Consolidated Financial Statements of the Group were prepared in accordance with the International Financial Reporting Standards (IFRSs) and related interpretations (IFRICs) adopted by the European Union (EU-IFRSs hereinafter) and with the other provisions of the applicable regulatory financial reporting framework.

Asa a result of the acquisition of Haynes in 2024, the Group reviewed its accounting policies to ensure they align consistently with those established by Acerinox, as detailed in this note.

In addition, in line with amendments to IAS 1, the Group assessed the disclosures in the report related to its accounting policies to ensure they provide adequate information. It did not find it necessary to make any modifications.

The 2025 Financial Statements were prepared using the same accounting principles (EU-IFRS) as for 2024, except for the standards and amendments adopted by the European Union and required to be applied from January 1, 2025. These are the following:

- IAS 21 (Amendment) - "Lack of exchangeability": requirements are added to assist entities in determining whether a currency is exchangeable for another currency and the spot rate to use when it is not. This can happen, for example, when a government imposes controls on capital imports and exports, or when it provides an official exchange rate, but limits the volume of transactions that can be carried out at that rate. In cases where a currency is not exchangeable, it is necessary to estimate the spot exchange rate on a valuation date in order to determine the rate at which a transaction would take place on that date between market participants under the prevailing economic conditions.

  When an entity applies the new requirements of this standard for the first time, it is not allowed to restate the comparative information. However, the affected amounts are required to be translated at estimated spot exchange rates at the date of initial application of the change, with an adjustment against reserves.

  This amendment has had no impact on the Group as it does not carry out significant transactions in these currencies.

2.2 Assessment of the main standards, amendments and interpretations that will be mandatorily applicable the coming years

There are new standards and interpretations which will be mandatorily applicable in the coming years and have not been applied early by the Group.

The standards, interpretations and amendments approved by the European Union and applicable as of January 1, 2026 which have not been adopted in advance by the Group and which could have an impact, are as follows:

- Amendments to IFRS 9 and IFRS 7 "Amendments to the classification and measurement of financial instruments". These amendments clarify the criteria for classification of financial assets, as well as the criteria for derecognition of financial liabilities settled through electronic systems. It also introduces additional breakdown requirements. Specifically, it established the following:
  - The dates on which a financial asset or liability may be derecognized when settled by these means are clarified. The standard allows a financial liability settled in cash via an electronic payment system to be derecognized before the settlement date if certain conditions are met: i) a payment order has been initiated that cannot be canceled, ii) there is no access to the cash used for the payment, or iii) the risk of the transaction not being settled is insignificant.
  - Regarding the classification of non-recourse financial assets, an asset is considered "non-recourse" if an entity's right to receive cash flows is contractually confined to the cash flows generated by specific assets.
  - Additional criteria have been clarified and introduced to determine if an asset satisfies the principal and interest payment criteria.
  - New disclosure requirements are established for equity instruments designated at fair value through other comprehensive income.

  - There is now a requirement to provide a qualitative description of contractual terms that might alter the timing or amount of cash flows, as well as the carrying amount of financial assets or the amortized cost of liabilities.

- Amendment to IFRS 9 and 7 "Nature-dependent electricity contracts". This amendment clarifies the accounting treatment of electricity contracts, differentiating between purchase-sale contracts and those that must be recorded as financial instruments. On the one hand, the "own use" requirements are clarified, the possibility of applying hedge accounting is introduced and new breakdown requirements are added.

- Annual improvements to IFRS accounting standards, Volume 11. The purpose of the amendments is to avoid possible confusion from inconsistencies in the wording of the regulations by addressing changes in the following standards: IFRS 1 "First-time adoption of IFRS"; IFRS 7 "Financial instruments: Disclosures"; IFRS 9 "Financial instruments"; IFRS 10 "Consolidated financial statements" and IAS 7 "Statement of cash flows".

The Group does not expect any significant impact from applying these standards.

The standards, interpretations, and amendments published by the IASB and the IFRS Interpretations Committee that have not been adopted by the European Union, and cannot be adopted early, but may have an impact, are detailed below:

- IFRS 18 – Presentation and Disclosure of Financial Statements. The aim of this new standard is to establish requirements for the presentation and disclosure of Financial Statements, replacing the currently effective IAS 1. While many existing principles from IAS 1 remain, the main changes introduced are as follows:

  - Introduction of mandatory subtotals in the income statement, specifically: i) operating profit, ii) profit before finance costs and tax, and iii) profit for the period.
  - Introduction of five categories of income and expenses in the income statement: i) operating, ii) investing, iii) financing, iv) tax, and v) discontinued operations.
  - Mandatory disclosures related to Management performance measures; and
  - Enhanced principles for aggregation and disaggregation applicable to the primary Financial Statements and the notes to the Financial Statements.
  - Changes to improve comparability among entities in the Statement of Cash Flows.

  This new standard is effective for financial years beginning on or after January 1, 2027, and is also applicable to interim financial statements. A retrospective application is required.

  The Group has analyzed the impacts that the application of this standard could have, but considers that they are not significant and do not incorporate very relevant changes. The Group will adopt the necessary presentation formats and disclosures when they become mandatory.

- IFRS 19 "Subsidiaries without Public Accountability: Disclosures": This new standard has been developed to enable non-publicly accountable subsidiaries that have a parent that applies IFRS standards in its consolidated financial statements to apply IFRS standards with reduced disclosure requirements. Generally, it allows for a reduction in the disclosures typically required by other IFRS standards. Explicit mention must be made if this standard is applied. This standard is effective for financial years beginning on or after January 1, 2027. In addition, an amendment to this standard has been published that further reduces the disclosures.

- IAS 21 (Amendment) "Translation to a hyperinflationary presentation currency": This amendment clarifies how an entity should translate its financial statements when the presentation currency is hyperinflationary, even if the functional currency is not. It establishes a consistent method of translation to improve the comparability and usefulness of financial information. The amendment requires all amounts (including comparative figures) to be translated using the closing exchange rate at the date of the latest statement of financial position. The effects of translation must be recognized in other comprehensive income. This amendment is effective for financial years beginning on or after January 1, 2027.

2.3 Basis of presentation of the Consolidated Financial Statements

These Consolidated Financial Statements of the Group were formally prepared by the Parent's directors to present a fair view the Group's consolidated equity and consolidated financial position as at December 31, 2025 and 2024, and the consolidated results of its operations, the changes in consolidated equity and the consolidated cash flows of the Group for the years then ended.

The figures for 2025 are presented for comparison purposes with last financial year's figures for each item in the Financial Statements.

Changes in the consolidation scope at the end of 2024, mainly related to the acquisition of the Haynes Group and the sale of Bahru Stainless, Sdn. Bhd., make the data of the income statement not directly comparable, as this year includes Haynes' consolidated data for the 12-month period, whereas last year it was only consolidated from the date of acquisition. Haynes is part of the high-performance alloys segment and therefore also affects the segment breakdowns referred to in the income statement. Likewise, this year does not include figures for Bahru Stainless, which last year was part of the consolidation scope and of the stainless steel segment.

These Consolidated Financial Statements were prepared in euros, rounding the figures off to the nearest thousand, and were prepared on a historical cost basis, except for the following assets and liabilities which were measured at fair value: derivative financial instruments and the defined benefit plans. Inventories were measured at the lower of cost and net realizable value. For the Group's company in Argentina (Acerinox Argentina, S.A.), the rules relating to hyperinflationary economies are applied, as established in **Note 15.6**.

These Consolidated Financial Statements were prepared on the basis of the separate accounting records of the Parent and of each of the subsidiaries that make up the Acerinox Group. The Consolidated Financial Statements include certain adjustments and reclassifications made to unify the accounting and presentation policies applied by the Group companies with those applied by the Company. The consolidation principles applied are detailed in **Note 2.5**.

As in the 2024 financial year, and for the fiscal year beginning on January 1, 2025, and ending on December 31, 2025, the three German companies of the High-Performance Alloys Division (VDM Metals Holding GmbH, VDM Metals GmbH and VDM Metals International GmbH) as well as the stainless steel division German distributor Acerinox Deutschland Gmbh have availed themselves of the exemption permitted under section 291.1 HGB (Handelsgesetzbuch, German Commercial Law) and section 264.3 of the same Law. These exemptions free them from the obligation to present consolidated financial statements of the VDM subgroup, as well as the sustainability report, as they are part of a public interest Group that consolidates and publishes its financial statements, and also allow them certain simplifications in the authorization for issue of separate financial statements. Additionally, the three entities - VDM Metals Holding GmbH, VDM Metals GmbH and VDM Metals International GmbH - are exempt from the obligation to prepare the sustainability report

Preparation of the Consolidated Financial Statements in accordance with EU-IFRS standards requires the parent Company's directors to make certain judgments, estimates and assumptions that affect the application of the accounting policies and, therefore, the figures presented in the statement of financial position and consolidated income statement. The estimates made are based on historical experience and other factors that are considered reasonable. The Group could revise such estimates if changes were to occur in certain events or circumstances. The areas requiring the greatest degree of judgment in applying EU-IFRSs and those involving estimates that are significant for the consolidated financial statements are disclosed in **Note 3**. Also, **Note 5** provides qualitative and quantitative information on the risks assumed that could affect future years.

The Consolidated Financial Statements for 2024 were approved by the shareholders at the General Shareholders' Meeting held on May 6, 2025. The Group's Consolidated Financial Statements for 2025 have not yet been approved by the shareholders at the General Shareholders' Meeting. The Company's Board of Directors considers that these Consolidated Financial Statements will be approved by the shareholders at the General Shareholders' Meeting without any changes.

2.4 Going concern and accrual bases of accounting

The Consolidated Financial Statements were prepared on a going concern basis. Revenue and expenses are recognized on an accrual basis and not on the basis of their dates of collection or payment.

2.5 Basis of consolidation

a) Subsidiaries

Subsidiaries are companies over which the Company directly or indirectly exercises control. The Company is deemed to exercise control when it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. Also, the Company is deemed to have power when it has existing substantive voting rights that give it the current ability to govern the financial and operating activities and policies of the subsidiary.

The Financial Statements of the subsidiaries are included in the Annual Consolidated Financial Statements from the date on which the Group obtains control, and are excluded from consolidation on the date that control ceases to exist.

The Group assesses the date on which control is obtained, also taking into account the possible restrictions established in the contracts that prevent control from being obtained until circumstances that are beyond the Group's control arise, such as approval by an international body or any other condition precedent provided for in the contract.

The Group takes into account potential voting rights to assess the degree of control it exercises over the Group companies.

The accounting policies of the subsidiaries are adapted to the Group's accounting policies.

All the subsidiaries that form part of the Acerinox Group and were included in the scope of consolidation at December 31, 2025 and 2024 are listed in **Note 6**.

b) Non-controlling interests

"Non-controlling interests" represents the portion of the Group's profit or loss and net assets attributable to non-controlling shares. The share of non-controlling shares both in the Group's net assets and in comprehensive income for the year are presented separately in consolidated equity, in the consolidated income statement and in the consolidated statement of comprehensive income.

Non-controlling interests in the subsidiaries acquired are recognized at the date of acquisition at the proportionate share of the fair value of the net identifiable assets.

The profit or loss and each component of other comprehensive income are allocated to the equity attributable to shareholders of the parent and to non-controlling shares in proportion to their relative interests, even if this results in the non-controlling shares having a deficit balance.

When the share of equity held by non-controlling shares changes, the Group adjusts the book value of the controlling and non-controlling shares to reflect the changes that have arisen in its relative interests in the subsidiary. The Group recognizes directly in equity the difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received, and attributes that difference to the owners of the parent. The profit or loss attributable to the non-controlling shareholder from the date of acquisition is recognized as profit or loss attributable to non-controlling shares.

The Group assesses whether there are any clauses or financial instruments in contracts with non-controlling shares that could oblige the entity to deliver cash or another financial asset, or to settle it as if it were a financial liability, in order to determine its classification and measurement. For this purpose, all the terms and conditions agreed between the members of the Group and the holders of the instrument are considered. To the extent that there is an obligation or liquidation provision, the instrument is classified as a financial liability in the Consolidated Financial Statements.

These options are occasionally conditional on the occurrence of an uncertain future event beyond the control of both the issuer and the holder of the instrument. If, in addition, the issuer of such an instrument does not have the unconditional right to avoid delivering cash or another financial asset, it is deemed to be a financial liability of the issuer unless, inter alia, the part of the contingent liquidation provision that could require liquidation in cash or another financial asset is not genuine, i.e. is extremely exceptional, highly abnormal and very unlikely.

c) Affiliates

Associates are all entities over which the Group exercises significant influence in relation to financial and operating decisions, but over which it does not have control or joint control. In general terms, the Group is considered to exercise significant influence when it holds more than 20% of the voting power.

The Financial Statements of the affiliates are included in the consolidated Financial Statements using the equity method. The Group's share of the post-acquisition profits or losses of its associates is recognized in the income statement for each year with a credit or charge to "share of results of companies accounted for using the equity method" in the consolidated income statement.

Losses of associates attributable to the Group are limited to the value of the net investment, since the Group has not incurred legal or constructive obligations.

The Group does not have any significant investments in affiliates.

d) Business combinations

The Group applied IFRS 3, "Business Combinations" (revised 2008) to business combinations carried out on or after January 1, 2010.

The Group applies the acquisition method for business combinations.

The acquisition date is that on which the Group obtains control of the acquiree. The Group considers that control is obtained when the investor, due to its involvement with the acquiree, is exposed, or has rights, to variable returns and has the ability to affect those returns through its power over the affiliate. In an acquisition, the Group is generally deemed to have obtained control when the consideration is legally transferred and the assets and liabilities of the acquiree are acquired and assumed, respectively. However, control may be obtained at a prior date if, by means of a written agreement, a prior date of obtainment of control is envisaged. The Group considers all pertinent facts and circumstances in order to identify the acquisition date.

The consideration transferred in a business combination is calculated as the sum of the acquisition-date fair values of the assets transferred, the liabilities incurred or assumed, the equity interests issued and any contingent consideration that depends on future events or the fulfillment of certain conditions in exchange for control of the acquiree.

The consideration transferred excludes any amounts that are not part of the exchange for the acquiree. The costs associated with an acquisition are recognized as expenses on an accrual basis.

The Group recognizes at their acquisition-date the fair value of assets acquired, the liabilities assumed and any non- controlling interest in the acquiree. The liabilities assumed also include contingent liabilities to the extent that they represent present obligations that arise from past events and their fair value can be measured reliably. In addition, at the acquisition date the Group recognizes the indemnification assets granted by the seller following the same measurement criteria of the indemnification item of the acquired business, considering, where appropriate, the insolvency risk and any contractual limitation on the indemnified amount.

Until they are settled, canceled or expire, contingent liabilities are measured at the higher of the amount initially recognized less the amounts that should be recognized in the income statement in accordance with the standard on recognition of revenue from customers and the amount that would be recognized in accordance with the standard on measuring provisions.

The following are exempted from the application of the general measurement criteria: non-current assets and disposal groups classified as held for sale, long-term defined benefit obligation liabilities, share-based payment transactions, deferred tax assets and liabilities and intangible assets arising from the acquisition of previously granted rights, which shall be measured in accordance with their respective accounting policies.

The assets acquired and liabilities assumed are classified and designated for subsequent measurement on the basis of the contractual terms, economic conditions, operating and accounting policies and other pertinent conditions existing at the acquisition date, except in the case of lease agreements in which the business acquired is the lessor, and insurance contracts.

The acquirer's application of the recognition principle and conditions may result in recognizing some assets and liabilities that the acquiree had not previously recognized as assets and liabilities in its Financial Statements.

Any excess of the consideration transferred plus the value assigned to the non-controlling shares over the net amount of the assets acquired and the liabilities assumed is recognized as goodwill.

If the business combination can only be provisionally calculated, the identifiable net assets are initially recognized at their provisional amounts, recognizing the valuation adjustments made in the measurement period as if they had been known at the acquisition date and restating, where applicable, the comparative figures for the previous year. In any event, adjustments to provisional amounts only reflect information on facts and circumstances that existed at the acquisition date and, if known, would have affected the measurement of the amounts recognized at that date. The measurement period will end as soon as the acquirer receives the information it was seeking about facts and circumstances that existed at the date of acquisition or concludes that no further information can be obtained. However, such measurement period shall not exceed one year from the date of acquisition.

After the measurement period ends, the initial accounting for a business combination is revised only to correct an error.

As of 2024, the Group, through its US subsidiary North American Stainless, Inc., acquired 100% of Haynes International, Inc and its group of entities. This policy was applied by the Group for initial recognition. To establish the fair value of the assets and liabilities acquired, the Group engaged an independent appraiser.

As of the date of issuance of last year's financial statements, although the exercise of allocating the price to the assets acquired and liabilities assumed was at an advanced stage, it was not yet completed. Accordingly, the values of the assets and liabilities recorded as well as the impacts of the business combination were provisional.

The Group has retroactively adjusted the provisional amounts of goodwill recognized at the acquisition date at the end of the measurement period, as required under IFRS 3 and as explained in this policy. As explained in **Note 6.1**, the Group has definitively closed the valuation year at fair value of the net assets acquired and the determination of goodwill, with no significant variations with respect to the values obtained at the close of 2024.

e) Balances and transactions eliminated on consolidation

Intra-Group balances and transactions, as well as unrealized gains or losses with third parties arising from such transactions, are eliminated on preparation of the Consolidated Financial Statements.

2.6 Translation differences

a) Functional and presentation currency

The items included in the Financial Statements of each Group company are measured using the currency of the primary economic environment in which the Company operates (its functional currency). The functional currency for most of the Group's entities is their local currency, except for NAS Canada, Inc. and NAS Mexico, S.A. de CV, whose functional currency is the USD.

The Consolidated Financial Statements are presented in thousands of euros, since the euro is the functional and presentation currency of the parent.

b) Foreign currency transactions, balances and cash flows

Foreign currency transactions are translated to the functional currency using the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the reporting date at the exchange rates then prevailing. Any exchange differences that arise from such translation are recognized in the consolidated income statement.

Non-monetary assets and liabilities denominated in foreign currencies and recognized at historical cost are translated to the functional currency using the exchange rates prevailing at the date of the transaction. The historical cost of non-monetary assets belonging to countries considered to be hyperinflationary is remeasured at the end of each reporting period, applying a price index to express them in terms of the measuring unit current at the end of the reporting period. Section d) includes a detailed description of the measurement of line items corresponding to hyperinflationary economies.

Non-monetary assets and liabilities denominated in foreign currencies and measured at fair value are translated to the corresponding functional currency by applying the measurement date exchange rate. Exchange differences on non-monetary items measured at fair value are presented as a component of the fair value gain or loss.

In presenting the consolidated statement of cash flows, cash flows arising from transactions in a foreign currency are translated to the functional currency by applying the exchange rates prevailing at the date of the cash flow.

Exchange differences resulting from the liquidation of foreign currency transactions and from translation to the functional currency of monetary assets and liabilities denominated in foreign currency are recognized in the income statement.

c) Translation of foreign operations

For the preparation of the Group's Consolidated Financial Statements, the assets and liabilities of the companies whose functional currency is not the euro are translated to euros by applying the exchange rates prevailing at the reporting date; on the other hand, income and expenses are measured at the average exchange rate for the period. Any exchange differences arising from that measurement are recognized as a separate component of equity and of the consolidated statement of comprehensive income ("translation differences"). The translation differences are reclassified to profit or loss when the company that generates them ceases to form part of the Group.

The Group applied the exemption for first-time application provided for in IFRS 1 in relation to cumulative translation differences and, accordingly, the translation differences recognized in the Consolidated Financial Statements that were generated prior to January 1, 2004 are shown in retained earnings in reserves.

In presenting the consolidated statement of cash flows, cash flows, including the comparative balances of foreign subsidiaries, are translated to euros by applying the same criteria as those applied for the restatement of the Financial Statements.

d) Restatement of financial information concerning hyperinflationary economies

On July 1, 2018, Argentina was declared to be a hyperinflationary economy, as it met the classification requirements established in IAS 29. The Acerinox Group has an entity in Argentina, as detailed in **Note 6**.

The Financial Statements of an entity that reports in the currency of a hyperinflationary economy are stated in terms of the measuring unit current at the reporting date. Both the comparative figures for the previous year and the information for prior periods are restated only when they are significant for the Group, in terms of the measuring unit current at the end of the reporting period. Since most of the non-monetary items are recognized at historical cost, the restated cost of each item is determined by applying to the historical cost and to the accumulated depreciation and depreciation charge the change in a general price index from the date of acquisition until the end of the reporting period. The Group did not restate the balances for prior years since the impact is not significant.

At the beginning of the first period of application of this standard, the components of owners' equity, except retained earnings and asset revaluation surpluses, shall be restated by applying a general price index to the various items from the dates on which they were contributed or from the date on which they otherwise arose. The restated retained earnings shall arise from the remaining amounts in the statement of financial position. At the end of the first period and in subsequent periods, all the components of equity shall be restated by applying a general price index from the beginning of the period, or from the contribution date, if later.

All the items in the statement of comprehensive income shall be stated in the monetary unit current at the end of the reporting period. For this purpose, all the amounts shall be restated to reflect the change in the

general price index from the date on which the income and expenses were included in the Financial Statements.

Gains or losses arising from the net currency position shall be included in the income statement for the year.

Note 15.6 includes the impacts of the measurement of the Financial Statements of Acerinox Argentina pursuant to this standard both in 2025 and 2024.

2.7 Intangible assets

The Group recognizes an intangible asset only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and if the cost of the asset can be measured reliably.

The Group recognizes all the intangible assets identified in a business combination separately from goodwill, irrespective of whether the acquiree had recognized the asset prior to the business combination occurring.

Intangible assets are initially recognized at cost. The cost of intangible assets acquired in a business combination is equal to the acquisition-date fair value. The fair value of an intangible asset will reflect the expectations of the market participants at the acquisition date about the probability that the expected future economic benefits embodied in the asset will flow to the entity.

a) Goodwill

Business combinations are accounted for using the acquisition method. Goodwill represents the excess of the cost of acquisition of the Group's interest over the fair value of the identifiable net assets of the acquiree at the acquisition date (assets, liabilities and contingent liabilities).

For the Acerinox Group, the goodwill reported in these Financial Statements includes both the amount arising in 2020 from acquiring 100% of VDM Metals Holding GmbH and the amount arisen in the previous year from the acquisition of the Haynes Group, as detailed in **Note 6.1**.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not depreciated but rather is assessed annually (or more frequently if events indicating a potential impairment loss on the asset are identified) for impairment, pursuant to IAS 36. Accordingly, goodwill is allocated to each of the cash-generating units of the company to which the economic benefits of the business combination synergies are expected to flow. If the recoverable amount of the cash-generating unit is lower than the book value of the goodwill, the corresponding impairment loss shall be recognized. The recoverable amount of the cash-generating units to which the Group's goodwill is allocated is determined based on calculations of their value in use (see **Note 2.11**).

Gains from a bargain purchase arising from a business combination are recognized directly in the income statement, once the assets, liabilities and contingent liabilities of the acquiree have been remeasured, as established in the standard.

Internally generated goodwill is not recognized as an asset.

b) Internally generated intangible assets

Research expenditure aimed at acquiring new scientific or technical knowledge is recognized as an expense in the consolidated income statement when incurred.

Development expenditure relating to research findings applied to produce new products and processes, or to significantly improve existing products and processes, is capitalized if the product or process is considered technically and commercially feasible, if the Group has the resources required to complete the development program and if it is considered that it will generate future cash flows that will enable its recovery.

Development expenditure is capitalized by crediting "work performed by the Group on non-current assets" in the consolidated income statement. The capitalized costs include the cost of materials, direct labor and directly attributable general expenses.

The Group does not capitalize development expenditure in cases in which, following the start-up of the project, the future cash flows of the projects obtained through research and development activities are not monitored.

The costs incurred in performing activities for which the costs attributable to the research phase cannot be clearly distinguished from those corresponding to the intangible asset development phase are recognized in the consolidated income statement.

Capitalized development expenditure is not depreciated when the project is under way. Once these projects have been successfully concluded, the expenditure is depreciated systematically over their estimated useful lives. In the event that the circumstances that permitted capitalization of the project expenditure change, the portion not yet depreciated is taken to the income statement in the year of the change in circumstances.

The findings of the R&D&I activities are patented in some cases, especially in the Group's new division dedicated to the manufacture of high-performance alloys. Due to the business combination carried out last year, pertaining to the high-performance alloys segment, an asset was recognized for the fair value of some of the special alloy patents held by Haynes at the time of the acquisition and which are expected to generate economic benefits in the coming years. The fair value was estimated using the Relief from Royalty (RFR) method.

Haynes has recognized on the balance sheet some trademarks over the names of certain alloys. It is an asset with an indefinite useful life, which the Group analyzes annually to see if its recoverable value is greater than its book value.

In addition, following the acquisition of the Haynes Group and having carried out the acquisition price allocation exercise, an intangible asset has been recognized for the value of the trademark

Finally, patents recognized by the Group on the consolidated statement of financial position correspond to those recognized in the allocation of the price paid in the Haynes business combination (see **Note 6.1**).

Trademarks and patents acquired in business combinations are recognized at acquisition-date fair value. They have a useful life of 15 years and after initial recognition are recorded at cost less accumulated amortization and accumulated impairment losses.

c) Customer relationships

In the business combinations carried out with both the acquisition of the VDM Group and the acquisition of the Haynes Group, the Group recognized an intangible asset resulting from the acquired companies' customer relationships.

The valuation used the Multi-period Excess Earnings method.

As in the case of VDM, Haynes also has a long history of enduring relationships with customers, which are formalized through agreements.

The Group considers that the relationship with customers arising from a business combination is an identifiable asset provided that it arises from contractual or other legal rights, the rights are separable and they are expected to generate future economic benefits. It is an asset with a finite useful life.

d) Computer software

Acquired licenses for computer software are capitalized based on the costs incurred to acquire them and prepare them for use of the specific software.

Computer software maintenance costs are recognized as such on an accrual basis.

Costs directly related to the production of unique and identifiable computer software by the Group, provided that they are likely to generate economic benefits exceeding those costs over more than one year, are recognized as intangible assets. The capitalized costs include direct labor and directly attributable general expenses.

e) Depreciation and amortization charge

Intangible assets with finite useful lives are depreciated systematically over the years of their useful life. Intangible assets are depreciated from the date on which they become ready for use.

The estimated useful lives are as follows:

- Industrial property: 5 years
- Patents: 14-15 years
- Customer relationships: 15 years
- Computer software: 2-5 years

The Group does not have any intangible assets with an indefinite useful life.

The residual value, the depreciation method and the useful life of the assets are reviewed, and adjusted if necessary, at each reporting date. Changes in the criteria initially established are accounted for as a change in estimate.

2.8 Property, plant and equipment

a) Owned assets

Property, plant and equipment are stated at acquisition cost or deemed cost less any accumulated depreciation and any recognized impairment losses. Property, plant and equipment acquired in business combinations are recognized at acquisition-date fair value.

In the event that an item of property, plant and equipment requires a period of time to get ready for its intended use, it is classified as property, plant and equipment in the course of construction. An asset is considered to be ready for its intended use when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Once in use, it is reclassified to the corresponding category of property, plant and equipment, depending on its nature.

The cost of the property, plant and equipment constructed by the Group is determined by following the same principles that would be used had it been acquired, also taking into account the criteria established for the production cost of inventories. The production cost is capitalized by crediting the costs attributable to the asset to accounts under "work performed by the Group on non-current assets" in the consolidated income statement.

Borrowing costs arising from loans directly related to financing the construction of items of property, plant and equipment are capitalized as a portion of the cost until the start-up of the asset. Also, the Group capitalizes certain borrowing costs corresponding to loans that are not directly earmarked for the financing of investments, applying a capitalization rate to the amounts used to finance these assets. This capitalization rate is calculated based on the weighted average of the borrowing costs applicable to loans received by the entity which differ from those specifically designated to finance the asset. The amount of the capitalized costs does not in any case exceed the total amount of borrowing costs incurred in the period.

The cost of property, plant and equipment includes the costs related to major repairs, which are capitalized and depreciated over the estimated period until the next major repair.

After initial recognition of the asset and once it is ready for use, only the costs incurred for improvements that it is probable will give rise to future economic benefits and that can be measured reliably are capitalized. In this connection, the costs of day-to-day servicing of property, plant and equipment are recognized in the income statement as they are incurred.

The Group classifies spare parts as inventories, unless they are expected to be used for more than one year, in which case they are classified as property, plant and equipment and are depreciated over their useful life. Once a spare part has been used to replace a damaged part, the latter is written off at its book value. Property, plant and equipment spare parts are classified under "plant and machinery" in the breakdown of property, plant and equipment in **Note 9**.

Gains or losses on the sale or disposal of property, plant and equipment are recognized in the income statement as operating income or expenses.

b) Depreciation and amortization charge

Items of property, plant and equipment are depreciated systematically on a straight-line basis over the years of their useful life. For these purposes, depreciable amount is understood to be acquisition or deemed cost less residual value. The Group calculates the depreciation charge separately for each part of an item of property, plant and equipment whose cost is significant in relation to the total cost of the item.

The residual value, the depreciation method and the useful life of the assets are reviewed, and adjusted if necessary, at each reporting date. Changes in the criteria initially established are accounted for as a change in estimate.

Land is not depreciated, unless it is acquired in usufruct for a certain number of years, in which case it is depreciated over the term of the usufruct.

Property, plant and equipment are depreciated over the following years of useful life:

- Buildings: 10-50
- Plant and machinery: 3-30
- Other items of property, plant and equipment: 2-10

2.9 Investment property

Investment property is considered to consist of the buildings owned by the Group that are not occupied by it and are held to earn returns, either through rental or for capital appreciation.

The Group only transfers items between "property, plant and equipment" and "investment property" when a change in the use of the property occurs.

Investment property is initially recognized at cost, including transaction costs. After initial recognition, the Company applies the same requirements established for property, plant and equipment.

Lease income is recognized as indicated in **Note 2.20 b**).

2.10 Right-of-use assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a specified period of time in exchange for consideration.

When the Group acts as lessee, it recognizes in the consolidated statement of financial position the assets and liabilities arising from the lease agreement (except in the case of short-term leases and leases for which the underlying asset is of low value). The Group measures the right-of-use asset at cost, corresponding to the present value of the lease payments expected to be made over the lease term.

In order to determine the lease payments, the Group takes into account:

a) fixed payments, less any lease incentives receivable;
b) variable lease payments that depend on an index or a rate;
c) the amounts expected to be payable by the lessee under residual value guarantees;
d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
e) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The Group measures lease liabilities at the present value of the total remaining lease payments, discounted using either the interest rate implicit in the lease, if that rate can be readily determined, or the lessee's incremental borrowing rate, for cases in which the rate is not established in the lease.

The Group considers the lease term to be the non-revocable period of a lease, plus the periods covered by the option to extend the lease, if the lessee is reasonably certain to exercise that option.

In determining the term of the lease and assessing the length of the non-revocable period of a lease, an entity applies the definition of a contract and determines the period for which the contract is enforceable. A lease is no longer enforceable when the lessee and the lessor each has the right to terminate the lease without permission from the other party.

After the commencement date, the Group measures the asset at its initial cost less accumulated depreciation and any accumulated impairment losses, adjusted to reflect any remeasurement of the lease liability.

Also, after the commencement date the Group measures the lease liability at depreciated cost using the effective interest rate method. Whenever there are changes in contracts, the lessee shall remeasure the lease liability in order to reflect the new lease payments. The amount of the remeasurement of the lease liability shall be recognized as an adjustment to the right-of-use asset.

In the case of short-term leases and leases for which the underlying asset is of low value, the Group recognizes the lease payments as expenses on a straight-line basis over the lease term.

Note 11 includes detailed information on the right-of-use assets and lease liabilities recognized by the Group.

2.11 Impairment of non-financial assets

The book value of the Group's non-financial assets other than inventories and deferred tax assets is reviewed at the end of each reporting period in order to assess whether any indication of impairment thereof exists. If such an indication exists, the Company estimates the recoverable amount of the asset.

The Group considers that indications of impairment exist when there is a significant decrease in the value of the asset, significant changes in the legal, economic or technological environment that could affect the measurement of assets, obsolescence or physical impairment, idle assets, low returns on assets, discontinuation or restructuring plans, repeated losses at the entity or substantial deviation from the estimates made. That is to say, the assessment of the existence of indications of impairment takes into account both external sources of information (technological changes, significant variations in market interest rates, market values of assets, etc.) and internal sources (evidence of obsolescence).

As established in **Note 2.7**, the recoverable amount of goodwill, which is not depreciated, and of intangible assets not yet available for use is estimated at the end of each reporting period, unless prior to this date indications of a possible loss of value had been identified, in which case the assets would be tested for impairment.

Impairment losses on an asset are recognized whenever the book value of the asset, or of the corresponding cash-generating unit, exceeds its recoverable amount. Impairment losses on an asset are recognized as an expense in the consolidated income statement.

The recoverable amount of an asset is the higher of fair value less costs of disposal and value in use.

In order to determine the recoverable amount, the Group occasionally may hire an independent expert.

Value in use is the present value of estimated cash flows, applying a discount rate that reflects the present market valuation of the time value of money and the specific risks of the asset in question. For assets that do not generate cash inflows themselves, the recoverable amount is calculated based on the cash-generating unit to which the asset belongs, considered as the smallest identifiable group of assets capable of generating cash inflows for the entity that are largely independent of the cash inflows from other assets or groups of assets.

In estimating the value in use of an asset, the Group takes into account the estimated future cash flows that the entity expects to obtain from the asset, expectations regarding possible variations in the amount or timing

of those future cash flows, the time value of money and the risks inherent in the asset in question and any other factors that any other market participant would reflect in pricing the future cash flows derived from the asset. The Group also takes climate risks into account in determining future projections.

The effects of uncertainties in estimating the asset's value in use may be reflected as adjustments to future cash flows or as adjustments to the discount rate, with the result being a weighted average of all possible outcomes.

In determining value in use, the Group bases its cash flow projections on reasonable and well-founded assumptions that represent management's best estimates of the set of economic conditions that will prevail over the remaining life of the asset, giving greater weight to external evidence. Also, these cash flow projections are based on the budgets most recently approved by the Board of Directors. These projections generally cover a maximum period of five years, unless a longer time period can be justified.

The Group estimates cash flow projections beyond the period covered by the budgets, extrapolating such projections using a constant growth rate which does not exceed the average long-term growth rate of the stainless-steel industry, or the rate of the country or countries in which the entity operates.

Management assesses the reasonableness of the assumptions on which its current cash flow projections are based by examining the causes of differences between past and current cash flow projections, ensuring that the assumptions on which its current cash flow projections are based are consistent with the methodology used, and considering that the effects of subsequent events or circumstances that did not exist when those actual cash flows were generated justify those differences.

Future cash flows for assets are estimated based on their current condition and do not account for cash inflows or outflows from restructurings not yet committed or improvements in asset performance.

Notes 8.1 and **9.1** describe the variables and assumptions used by the Group to calculate recoverable amounts of both goodwill and tangible assets of the Group for which there are indications of impairment, as well as to identify the cash-generating units.

Except in the case of goodwill, impairment losses on an asset which were recognized in prior years are reversed through profit or loss only if there has been a change in the estimates used to determine the asset's recoverable amount since the most recent impairment loss was recognized. However, the new book value may not exceed the book value (net of depreciation and amortization) that would have been determined had no impairment loss been recognized.

2.12 Financial instruments

The Group recognizes a financial asset or financial liability in its consolidated statement of financial position when, and only when, it is a party to the contractual terms and conditions of the instrument in question.

2.12.1 Classification

The Group classifies financial assets in the following categories on the basis of their measurement either at depreciated cost or at fair value through profit or loss or other comprehensive income. The basis for classification depends on the entity's business model and the characteristics of the financial asset's contractual cash flows.

Financial liabilities are classified on the basis of their measurement. In general terms, they are classified as being measured at depreciated cost, except for financial liabilities measured at fair value through profit or loss or other comprehensive income.

The Group does not generally reclassify any financial assets or liabilities from their original category, unless the business model changes.

2.12.2 Financial assets

A financial asset is any contractual right to receive cash or another financial asset.

Financial assets are initially recognized at fair value plus the transaction costs that are directly attributable to their acquisition or issue.

They are subsequently measured on the basis of each of the categories in which they have been classified:

a) Financial assets at fair value through profit or loss

The Group includes derivative financial instruments in this category, unless they are designated as hedge accounting instruments and meet the effectiveness conditions to be accounted for as such.

The derivative financial instruments included in this category are classified as current assets and are measured at fair value. Transaction costs that are directly attributable to the acquisition are recognized as an expense in the income statement.

The changes in fair value are recognized in the income statement. The fair value of financial instruments used to hedge items classified in financial profit or loss (mainly exchange differences) is recognized under "revaluation of financial instruments at fair value". However, for derivatives used to hedge the prices of commodities used by the Company in the production cycle or earmarked for sale and which are not designated as hedges for accounting purposes, such changes are recognized under "other operating income" or "other operating expenses", depending on whether the measurement gives rise to a profit or a loss.

b) Financial assets at depreciated cost

This category includes non-derivative financial assets with fixed or determinable payments which are not traded in an active market. Specifically, it includes loans granted and accounts receivable. They are classified as non-current only when they mature after more than 12 months from the reporting date. They are initially recognized at fair value which, in the absence of evidence to the contrary, is the transaction price plus any directly attributable transaction costs, and are subsequently measured at depreciated cost using the effective interest rate method, except for accounts receivable measured at their transaction price as they do not have a significant financial component, they are expected to be received in the short-term and the effect of not discounting the related cash flows is not significant.

The Group makes the required valuation adjustments in accordance with the expected credit loss model, which takes into account historical claims incurred and other external factors. The impairment losses are calculated as the difference between the book value of the aforementioned assets and the present value of the estimated future cash flows that they are expected to generate, discounted at the effective interest rate calculated upon initial recognition. These losses are recognized as an expense in the consolidated income statement and are reversed with the recognition of income in the income statement when the causes of their original recognition cease to exist.

The impairment loss model used by the Group is based on a historical analysis of the average credit losses at each of the subsidiaries and on the claims incurred under the credit insurance policies taken out, taking into account any non-recoverable amount and any post-claim recoveries, whether from the insurance company or the customers themselves. These estimates are reviewed within the Group's credit risk control system, which continuously monitors the particular markets of each subsidiary, receives the input of specialists from insurance companies and reviews future estimates from international organizations of renowned prestige (IMF, OECD, etc.), also taking into account the macroeconomic estimates of each country. The Group takes into account and monitors significant changes in credit risk that may arise during the terms of the loans.

Amounts relating to discounted notes and bills and factoring of trade receivables are classified until maturity as trade receivables and, simultaneously, as current loans, unless substantially all the risks and rewards associated with those assets have been transferred, in which case they are derecognized.

The Group considers that it has transferred a financial asset when it has transferred the rights to receive the cash flows from the asset, or when it has retained the rights but has assumed the contractual obligation to pay those assets to another entity. In this case, the Group also considers the various additional conditions established in the standard (it has no obligation to pay any amount to another entity, unless it receives the cash flows derived from the financial asset; it cannot sell or offer the transferred financial assets as collateral; and it has an obligation to pay the cash flows received without significant delay). Also, if the Group does not retain the risks and rewards associated with those assets, it derecognizes them.

Most of the factoring arrangements entered into by the Group meet this definition and, therefore, are derecognized from the consolidated statement of financial position.

c) Financial assets at fair value through other comprehensive income

This category includes the Group's ownership interests in the capital stock of other companies over which it does not have control or exercise significant influence, and which it does not hold for trading.

These assets are generally classified as assets measured at fair value through profit or loss; however, the Group availed itself of the irrevocable option permitted by the standard to choose, on initial recognition, to present subsequent changes in fair value in other comprehensive income, since these assets are not held for trading.

They are initially recognized at fair value which, unless there is evidence to the contrary, is the transaction price plus any directly attributable transaction costs.

These assets are subsequently measured at fair value, provided that this can be measured reliably, recognizing the gain or loss in other comprehensive income.

The fair value of listed securities is determined by reference to the share price. The fair value of financial assets not listed on an organized market is calculated by discounting future cash flows.

Ownership interests in the capital stock of companies included in this category and whose market value cannot be measured reliably are measured at acquisition cost less any impairment losses.

Acquisitions and disposals of investments are recognized at the date on which the Group undertakes to acquire or sell the asset. Investments are derecognized when the rights to the cash flows from the investments expire or have been transferred and the Group has transferred substantially all the risks and rewards of their ownership.

The difference between the selling price and the fair value of financial assets at fair value through other comprehensive income is recognized in other comprehensive income.

2.12.3 Financial liabilities

For measurement purposes, the Group's financial liabilities are classified under the following categories:

a) Financial liabilities at depreciated cost

This category includes the accounts payable and bonds issued by the Group.

It includes non-derivative financial liabilities with fixed or determinable payments. They are initially recognized at cost, which matches their fair value, less any transaction costs incurred. They are subsequently measured at depreciated cost using the effective interest rate method. Any difference between the amount paid (net of transaction costs) and the repayment value is recognized in the income statement. However, trade payables maturing within one year which do not have a contractual interest rate and are expected to be paid at short-term are stated at their par value.

The Group derecognizes a financial liability when the obligation specified in the contract is either settled or canceled or expires.

When debt is refinanced, the Company assesses the significance of the variations made to determine whether they are substantially different and, therefore, assess whether the effects of the new agreement should be recorded as an extinguishment and, simultaneously, the recognition of new financing. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, qualitative factors will be taken into account in the evaluation. If an exchange of debt instruments or variation of terms is accounted for as an extinguishment, any costs or fees incurred are recognized as part of the gain or loss on the extinguishment. If the exchange or variation is not accounted for as an extinguishment,

any costs or fees incurred adjust the book value of the liability and are depreciated over the remaining term of the modified liability.

Among the qualitative factors, the Group considers there is a substantial modification of the terms of the debt in the following circumstances: a substantial extension of the maturity; significant modification of the margin; increase in the amount of the outstanding nominal amount of the financing; transfer from a debt at a variable interest rate to another debt at a fixed interest rate or vice versa, and/or the change of currency.

On the other hand, the Group has contracts with several financial institutions for the management of supplier payments. Trade payables payment of which is managed by the financial institutions are recognized under "trade and other payables" until the related obligation is settled or canceled or expires. The Group uses Reverse Factoring as a payment instrument and financial institutions can provide the Group's suppliers with the possibility of financing through Confirming without extending payment terms. **Note 13.2.3** includes detailed information on these contracts.

b) Financial liabilities at fair value through profit or loss

The Group includes derivative financial instruments in this category, provided that they are not financial guarantee contracts or designated as hedging instruments.

They are measured at fair value. The amount of the change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability shall be presented in other comprehensive income. The remaining amount of the change in the fair value of the liability shall be presented in the income statement, unless such treatment would create an accounting mismatch in the income statement, in which case the entire fair value change shall be recognized in the income statement.

The fair value of financial instruments used to hedge items classified in financial profit or loss (exchange differences and interest) is recognized under "revaluation of financial instruments at fair value". However, for derivatives used to hedge the prices of commodities used by the Company in the production cycle or earmarked for sale and which are not designated as hedges for accounting purposes, such changes are recognized under "other operating income" or "other operating expenses", depending on whether the measurement gives rise to a profit or a loss.

At the Acerinox Group, derivative financial instruments are generally used on a short-term basis and, therefore, the change attributable to the credit risk is not significant.

2.12.4 Hedge accounting

The aim of hedge accounting is to represent in the Financial Statements the effect of the Group's risk management activities in which derivative financial instruments are used to hedge exposure to certain risks that might affect the income statement. A hedging relationship qualifies for hedge accounting under IFRS 9 only if the following criteria are met:

a) The hedging relationship consists only of eligible hedging instruments and eligible hedged items.
b) At the inception of the hedging relationship there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge.
c) The hedging relationship meets the following hedge effectiveness requirements:

i. There is an economic relationship between the hedged item and the hedging instrument.
ii. The credit risk does not dominate the value changes resulting from that economic relationship.
iii. The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

At the inception of the hedge, the Group designates and formally documents the hedging relationship and the objective and strategy for undertaking the hedge.

Derivative financial instruments are initially recognized at acquisition cost, which matches fair value, and are subsequently measured at fair value.

Derivative financial instruments that do not qualify for hedge accounting are classified and measured as financial assets or liabilities at fair value through profit or loss. Derivative financial instruments that fulfill the criteria for cash flow hedge accounting are treated as such. Therefore, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized in other comprehensive income and subsequently recognized in the income statement in the same period or periods during which the hedged expected future cash flows affect profit or loss.

The Group prospectively discontinues hedge accounting when the hedging instrument expires, is sold or the hedge no longer meets the criteria for hedge accounting. In such cases, the cumulative gain or loss recognized in equity is recognized in the income statement.

The Group only undertakes cash flow hedges.

2.12.5 Fair value measurement

Financial instruments recognized at fair value are classified, based on the valuation inputs, in the following hierarchies:

LEVEL 1: includes financial instruments the fair value of which is determined by reference to quoted prices in active markets.

LEVEL 2: includes financial instruments the fair value of which is determined by reference to variables, other than quoted prices, observable in the market.

LEVEL 3: includes financial instruments the value of which is determined by reference to variables that are not observable in the market.

2.12.6 Renewable Energy Contracts (PPA)

The Group has signed PPA (Power Purchase Agreement) contracts for the purchase of long-term renewable energy. These contracts are concluded through the physical purchase of energy consumed by the Group in its stainless-melting shop production facilities. These contracts do not allow cancellation through the exchange of financial instruments. They are therefore supply contracts for the Group's own use and the Group recognizes the energy purchases in the income statement at the time of delivery for consumption and does not treat them as financial instruments.

This policy also applies to renewable energy certificates, as many are linked to PPA contracts. When the entity acquires only renewable energy certificates not associated with energy delivery, the Group records the cost in the statement of profit or loss when they are delivered.

2.13 Inventories

Inventories are initially recognized at acquisition or production cost. Subsequently, when the net realizable value of inventories is lower than their acquisition or production cost, the appropriate write-downs are made, with the related effect recognized in the income statement.

The Group uses the same cost formula for all inventories that have the same nature and a similar use within the Group. They are measured using the weighted average cost formula.

Finished goods and work in progress are measured at the weighted average cost of raw and other commodities consumed, incorporating the attributable portion of direct and indirect labor and general manufacturing costs based on the higher of normal production capacity or actual production. The Group does not include the cost of underutilization of production capacity in the value of finished goods and work in progress. These are recorded directly as expenses for the period.

Net realizable value is the expected selling price of those goods less costs to sell. In the case of work in progress, the estimated costs of completion are also deducted from this price.

The Group does not write down commodities if the finished products in which they will be incorporated are expected to be disposed of at or above production cost.

Any write-downs that reduce inventories to their net realizable value are reversed, up to the cost of the inventories, if the circumstances that gave rise to the write-downs cease to exist.

2.13.1 Emission allowances

The Group recognizes CO2 emission allowances as inventories.

CO2 emission allowances purchased in the market are measured at acquisition cost.

Freely allocated emission allowances are initially recognized at their market value on surrender. Simultaneously, a balancing entry for a grant is recognized for the same amount under "deferred income" (see **Note 16**).

Emission allowances remain classified as inventories until surrendered or sold.

At the end of each reporting period the Group assesses whether the market value of the allowances is lower than their book value in order to determine whether there are any indications of impairment. If such indications exist, the Group determines whether the allowances will be used in the production process or earmarked for sale, and only in the second case shall the appropriate write-downs be recognized. These write-downs are reversed when the causes that gave rise to the write-down of the emission allowances cease to exist.

A provision for contingencies and charges is recognized for expenses relating to greenhouse gas emissions. These expenses are incurred as the greenhouse gases are emitted. The provision is recorded monthly at the average price of the allowances in stock. This provision is maintained until the Group is required to discharge this obligation by surrendering the corresponding emission allowances.

In the case of freely allocated emission allowances, at the same time as the expense is recognized, the corresponding part of the deferred income account is canceled, using an operating income account as the balancing entry.

For emission allowances swaps, the Group uses the accounting treatment applicable to non-commercial swaps. The Group derecognizes allowances surrendered at their book value, and the amount received is recognized at fair value on surrender. For freely acquired emission allowances, the difference between the two values is recognized under "deferred income".

In the case of sales of emission allowances, provided that the allowances are received free of charge, the Group derecognizes the allowances sold at book value and simultaneously recognizes a reduction in the "deferred income" account. The amount of the consideration received is recognized as income for the year under "other operating income".

Detailed information about the movements in the emission allowances account in 2025 and 2024 is included in **Note 12**, under inventories.

2.14 Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits at banks and other short-term, highly liquid investments, provided that they are readily convertible to cash and are subject to an insignificant risk of changes in value.

In the consolidated statement of cash flows, the Group classifies interest received and paid as cash flows from operating activities, dividends received as cash flows from investing activities and dividends paid as cash flows from financing activities.

2.15 Deferred income

The Group categorizes subsidies and other income to be distributed over several years in this way, as detailed below.

2.15.1 Grants related to assets

Grants related to assets are grants received by the Group for the acquisition of property, plant and equipment and intangible assets. They are recognized under "deferred income" in the consolidated statement of financial position. They are initially recognized at the original amount awarded, provided that there is reasonable assurance that the grants will be received and the Group fulfills all the conditions attaching to them. They are subsequently taken to the income statement on a straight-line basis over the useful lives of the related assets financed by the grants.

2.15.2 Grants related to income

Grants related to income are grants received to finance specific expenses. They are recognized as income as the expenses are incurred. Subsidies related to the free allocation of CO_2 emission rights are credited to the income statement at the same time as the gas emission expense is recognized or at the time the free allocation emission rights are sold.

2.15.3 Other deferred income

As a result of the acquisition of Haynes, the Group saw an increase in this item due to the recognition of an existing liability for this item.

In 2006, Haynes International received a cash payment from Titanium Metals Corporation (TIMET) under an agreement to provide transformation services exclusively and with priority for 20 years, up to a maximum tonnage specified in the contract. The services are invoiced at the contractually agreed prices.

Cash received and initially recognized against this item is credited to the income statement on a straight-line basis over the contractual term. Accordingly, the amount recognized at year-end as deferred income in the consolidated balance sheet corresponds to the portion of the initial royalty not recognized as income to date.

Although the contract includes breach provisions that could lead to termination and compensation for damages, the entity has evaluated each clause and the likelihood of a breach. Based on experience, the nature of potential triggering events, and the presence of cure periods in the agreement, the Company has concluded that such circumstances are unlikely to occur. Therefore, no reduction in recognized revenue over the contract term has been considered.

If a breach does occur and is not remedied within the allowed grace period, the Company would recognize the impact of the liquidated damages in the period of default and reassess revenue recognition for future periods under the Conversion Services Agreement.

2.16 Employee benefits

Employee benefits may comprise both short-term and long-term obligations. Short-term commitments include:

- Short-term compensation: that which is expected to be paid in full within twelve months from the end of the reporting period in which the employees rendered their services. They are recognized as expenses in the year in which the service is rendered. They include wages and salaries, social security contributions, paid annual leave and sick leave, profit sharing and incentive or non-monetary compensation.
- Termination benefits: these are recognized as staff costs only when the Group is demonstrably committed to severing its link to an employee or group of employees prior to the normal retirement date.

Long-term commitments include:

- Post-employment benefits or obligations, such as retirement benefits or any other form of compensation to employees upon termination of their employment.

- Other long-term employee benefits such as length of service awards.
- Pension benefits.
- Share-based payment transactions.
- Collective redundancy procedures: The Group recognizes a liability and an expense for severance payments provided that the entity can no longer withdraw the offer of severance payments and there is a formal and detailed plan, which implies that: the activities and locations affected, the approximate number of employees affected, the disbursements to be made and the dates on which the plan will be implemented have been identified. On July 1, 2024, the Group company Acerinox Europa, S.A.U., signed the IV collective bargaining agreement for its factory in Campo de Gibraltar. This agreement included, *inter alia*, the commitment to sign a social pact agreement for employment. On December 20 of this year, together with the main labor unions, the principle of this agreement was signed. Among other aspects, it includes an employment rejuvenation program based on the voluntary adhesion of persons who meet the requirements specifically agreed therein. On the same date, the conditions of the rejuvenation plan applicable for 2025 were agreed upon. During this year, the conditions applicable for 2026 have been determined. This agreement will allow the employees included in the plan to opt for early retirement under the conditions established in the plan, once they reach a certain age. The Group has recorded a liability, both in the prior year and in the current year, reflecting the present value of the commitments resulting from this plan. Severance pay has been recognized as a provision for employee benefits and as a personnel expense since the entity is committed through this agreement to terminate the relationship with a certain group of employees before the normal retirement date.

The accounting policies followed by the Group where there are long-term commitments to its employees are as follows:

a) Defined contribution plans

A defined contribution plan is a pension plan or insurance scheme under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all the employees the benefits relating to the services rendered in the current and prior periods.

Certain Group companies make mandatory, voluntary or contractual pension plan, life or other insurance policy contributions. Once the contributions have been paid, the Group does not have additional payment obligations. The contributions are classified as employee benefits and are recognized in the income statement on an accrual basis. The benefits paid in advance are recognized as an asset to the extent that they may give rise to a cash refund or a reduction in future payments. No provisions are recognized for the defined contribution plans, since they do not give rise to future obligations for the Group.

b) Defined benefit plans and other obligations

A defined benefit plan is an obligation acquired by the Company to its employees to remunerate services rendered. These obligations are established in accordance with the local legislation in certain countries or contracts signed to that effect, or are included in collective bargaining agreements prevailing at certain Group companies.

Accrued obligations are calculated as the present value of the accumulated benefits accrued by the employees until the reporting date, using actuarial assumptions. The calculations are made by independent experts. The Group companies recognize any corresponding provisions to cover these obligations.

The existing obligations may be classified as follows:

- Pension plans: certain Group companies have acquired obligations to certain of their employees when they reach retirement age.
- Early retirement benefits: certain Group companies are required to pay benefits to some of their employees if they opt to take early retirement.
- Supplements: these plans relate to obligations agreed upon with certain Group employees to supplement their remuneration on retirement.
- Other post-employment obligations: certain Group companies offer medical care to their retired former employees. The right to benefits of this nature is usually conditional upon the employee remaining at the Group until retirement and for a specified minimum number of years. The expected expenditure relating to these benefits is accrued over the employees' working lives.

The Group meets the obligations relating to the outsourcing of these commitments in the countries where this is applicable.

The defined benefit liability recognized in the consolidated statement of financial position corresponds to the present value of the defined benefit obligations existing at the reporting date less the fair value of the plan assets at that date. The Group recognizes changes in the actuarial valuation of the obligations in other comprehensive income.

The asset's value is capped at the present value of the economic benefits the entity can gain either through plan reimbursements or by reducing future contributions to the plan.

Where plan assets include qualifying insurance policies that exactly match the amount and timing of some or all of the benefits payable under the plan, the fair value of the insurance policies is considered equal to the present value of the related payment obligations and, accordingly, the Group nets the two positions in the consolidated statement of financial position.

The actuarial value of both the post-employment obligations and the pension benefits that have not been outsourced is calculated by an independent expert. The measurement is performed using the projected unit credit method, taking into account mortality tables, interest rates, discount rates, expected future salary increases and growth rates. In the case of post-employment obligations, estimates of future increases in healthcare expenses are also taken into account.

The Group recognizes as an expense for the year the cost of services rendered, which corresponds to the increase in the present value of the defined benefit obligation resulting from the provision of services by the employee in the current year.

In addition, the Group recognizes as an expense the net interest on the defined benefit obligation, which corresponds to the change during the year in the defined benefit obligation resulting from the passage of time.

c) Share-based payment transactions

The Group applies IFRS 2, Share-based Payment, to equity-settled transactions in which the entity receives goods or services in exchange for shares of the parent.

In accordance with the terms of the share-based payment plans approved by the Group, the equity instruments granted do not vest immediately, and do so when a certain service period is completed, so the Group recognizes an expense on a straight-line basis over the period in which the rights to receive such shares vest, recognizing at the same time the corresponding increase in equity.

The Group measures the goods or services received, as well as the corresponding increase in equity, at the fair value of the equity instruments granted, at the grant date. Fair value is determined by the market price of the entity's shares adjusted to take into account the terms and conditions on which those shares were granted (except for vesting conditions, other than market conditions, which are excluded from the determination of fair value). The Group uses the appraisal of an independent expert, who uses the Monte Carlo method for this valuation.

When the obligation to deliver its own equity instruments is to the employees of a subsidiary, the events must be qualified as a "contribution", in which case the parent recognizes an increase in the value of its interest in the subsidiary, with a credit to its own equity instruments, and measures it at the fair value of the equity instruments transferred at the grant date.

Upon delivery of the shares, the accounting difference between the equity item canceled and the treasury shares delivered is recognized with a charge to the parent's reserves.

2.17 Provisions

The Group recognizes a provision when:

(i) it has a present obligation, whether legal or constructive, as a result of past events;
(ii) it is more likely than not that an outflow of resources will be required to settle the obligation; and
(iii) the amount can be estimated reliably.

The amounts recognized in the consolidated statement of financial position correspond to the best estimate at the reporting date of the disbursements required to discharge the present obligation, after taking into account the risks and uncertainties relating to the provision and, where significant, the interest cost arising from discounting, provided that the disbursements that are to be made in each period can be reliably estimated. If discount rates are used, the increase in the provision as a result of the time elapsed is recognized as financial expense for the year.

2.18 Current/Non-current assets and liabilities classification

In the consolidated statement of financial position the Group classifies assets and liabilities as current and non- current items. For such purpose, assets and liabilities are considered to be current when they are expected to be realized or settled within 12 months after the reporting date, or when they are cash or cash equivalents. Liabilities are classified as current or non-current on the basis of the rights that exist at the end of the reporting period and not on the basis of the entity's expectations or events after the reporting period.

2.19 Income tax

The income tax expense comprises current tax and deferred tax.

Current tax is the tax expected to be paid in respect of the consolidated taxable profit or tax loss for the year, using tax rates enacted at the consolidated statement of financial position date and applicable to the current year. Current tax also includes any adjustment to the tax payable or receivable for prior years.

Deferred taxes are calculated using the balance sheet liability method, based on the temporary differences arising between the tax bases of the assets and liabilities and their carrying amounts in the Consolidated Financial Statements. Deferred taxes are determined by applying the tax rates (and laws) enacted, or substantively enacted, at the consolidated statement of financial position date, and which are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

The effect of a change in the tax rate on the deferred tax assets and liabilities is recognized in the income statement, except to the extent that it relates to items previously charged or credited directly to the consolidated statement of comprehensive income.

Deferred tax liabilities are always recognized. Deferred tax assets are recognized to the extent that it is considered probable that taxable profits or deferred tax liabilities will arise in the future against which the temporary differences can be offset.

The Group recognizes in the consolidated statement of financial position the deferred tax assets arising from tax loss or tax credit carryforwards, provided that they are likely to be recoverable in a reasonable period of time, also taking into account the legally established limits for their use. The Group considered a period of ten years to be reasonable if permitted by tax legislation. For this purpose, the Group performs future earnings projections approved by Management, which take into account present macroeconomic and market circumstances, and adjusts these projections based on current tax legislation in order to determine the taxable profit or tax loss. The Group also assesses the likelihood of future tax profits, as well as the positive and negative evidence supporting the expectation of such profits, to ensure that the positive evidence outweighs the negative evidence. Where there is a history of recurring losses, the Group ensures that forecasts of future taxable profits are not dependent on uncertain events outside the entity's control and therefore only considers verifiable positive evidence to determine the existence of future profits with which to recover such tax losses.

Deferred tax assets are reduced when it is no longer considered probable that sufficient future taxable income will be generated or there are no deferred tax liabilities against which the assets can be offset. Reductions are

reversed if there is renewed expectation that sufficient taxable income will be available against which the derecognized balance can be utilized. Both the deferred tax asset reduction and its subsequent reversal are recognized as an increase or decrease in the tax expense, respectively, in the income statement in the year in which they arise.

The Group only offsets deferred tax assets and liabilities if it has a legally enforceable right to do so. The assets and liabilities correspond to the same tax authority and the Group plans to realize current tax assets or settle current tax liabilities on a net basis.

Deferred tax assets and liabilities are recognized in the consolidated statement of financial position under non-current assets or non-current liabilities, irrespective of the expected date of realization or settlement.

When tax audits result in a tax deficiency to be settled, the Group generally recognizes such amounts as a current expense for the amount payable, and a deferred tax expense for the change in assets or liabilities arising from temporary differences resulting from the related tax assessment. If the amount payable is contested and the Group decides to file an appeal against the tax assessment, and furthermore considers that a favorable outcome for the Group is highly probable, it recognizes an asset for the amounts previously paid and which it estimates will be recovered.

In connection with the limited scope amendments introduced by the IASB related to the new Pillar 2 tax regulations approved by the OECD, the Group has applied the temporary exception for recognizing deferred tax assets and liabilities arising from the calculation of the global minimum tax. **Note 20** contains detailed information on the above tax standard and the analysis carried out by the Group during the year and its potential impact.

Certain companies forming part of the Consolidated Group have reserves which could be taxable if distributed, since certain legislation envisages withholdings at source that affect the payment of dividends. The Group recognizes the tax effect in this connection whenever it considers that the reserves will have to be distributed in the foreseeable future, which will give rise to the reversal of the temporary difference. That is to say, the parent shall not recognize a deferred tax liability when it considers that such reserves will not be distributed in the foreseeable future. The Group shall also reverse the temporary difference, against profit or loss for the year, when legislative changes eliminate or reduce the tax liability relating to those reserves.

The Company has been taxed under the consolidated tax regime since 1998. As agreed by the shareholders at the General Shareholders' Meeting held on May 28, 2003, Acerinox, S.A. and certain of the subsidiaries with registered office in Spain form part of a consolidated tax group on an indefinite basis, with the exception of Metalinox Bilbao, S.A.U. and Inoxidables de Euskadi, S.A.U., which file tax returns separately. At December 31, 2025 and 2024, the consolidated tax group was made up of: Acerinox, S.A., Acerinox Europa, S.A.U., Roldan, S.A., Inoxfil, S.A., Inoxcenter, S.L.U. and Inoxcenter Canarias, S.A.U. As a result of the consolidated tax regime, reciprocal receivables and payables between Group companies arise, due to the offset of tax bases between them.

2.20 Revenue

Revenue is an increase in economic benefits during the year in the form of inflows or increases in the value of assets or decreases in liabilities that result in an increase in equity and are not related to owners' contributions.

Revenue depicts the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is recognized when a customer obtains control of the good or service sold, i.e. when the customer has the ability to direct the use of, and obtain substantially all of the benefits from the good or service.

The Group takes into consideration the five-step model to determine when, and for what amounts, revenue should be recognized:

1. Identify the contract(s) with a customer.
2. Identify the performance obligations in the contract.
3. Determine the transaction price.
4. Allocate the transaction price to the performance obligations in the contract.
5. Recognize revenue when (or as) the entity satisfies a performance obligation.

A contract is an agreement between two or more parties that creates enforceable rights and obligations. A contract does not exist if each party to the contract has the unilateral enforceable right to terminate an unperformed contract without compensating the other party (or parties).

The main types of the Group's revenue and other income are as follows:

a) Sales and services

Revenue from the sale of goods is recognized in the consolidated income statement when control of the goods is transferred to the buyer. No revenue is recognized if significant doubts exist in relation to the recovery of the amount owed or the possible return of the goods. Sales revenue is recognized at the transaction price, which is the amount of consideration to which the entity expects to be entitled in exchange for transferring the goods or services promised to a customer, excluding amounts collected on behalf of third parties.

A contract is an agreement between two or more parties that creates enforceable rights and obligations. A contract does not exist if each party to the contract has the unilateral enforceable right to terminate a contract without compensating the other party (or parties). The stainless-steel sales process is performed through sales orders. From this perspective, the orders arranged by the Group with customers do not give rise to a right or obligation enforceable in advance, since the parties are entitled to unilaterally terminate an unperformed contract without compensating the other party until such time as the goods are delivered. Therefore, no obligation arises until the goods are delivered.

Depending on the commercial terms and conditions of sale, the control and risk of the goods may be transferred when the materials are shipped from the Group's facilities or when they are delivered to the customer. The Group takes into account these terms and conditions of sale to determine the timing of revenue recognition. Revenue from the sale of goods is recognized in the income statement when control over the goods is transferred to the buyer.

The Group considers all of the following factors when determining the transaction price:

- variable consideration;
- constraining estimates of variable consideration;
- the existence of a significant financing component in the contract;
- non-cash consideration; and
- consideration payable to the customer.

Revenue is recognized net of taxes, returns and discounts that the Group considers probable at the date the revenue is recognized, and after the elimination of intra-Group sales.

b) Lease income

Lease income is recognized in the income statement on a straight-line basis over the term of the lease.

c) Dividend income

Dividend income is recognized when the right to receive it is established.

2.21 Environment

The Group carries out actions the main objective of which is to prevent, reduce or repair the damage that might be caused to the environment as a result of its business activities.

Expenses arising from environmental activities are recognized as expenses in the year in which they are incurred. However, the Group may recognize environmental provisions, where necessary, by applying the general criteria detailed in **Note 2.17**.

The items of property, plant and equipment acquired to be used on a lasting basis in the Group's operations and the ultimate purpose of which is to minimize environmental impact and protect and improve the

environment, including the reduction or elimination of pollution, are recognized as assets using measurement, presentation and disclosure criteria consistent with those discussed in **Note 2.8**.

2.22 Changes in accounting estimates and policies and correction of errors

The Group applies IAS 8 to recognize changes in accounting estimates, changes in accounting policies and the correction of errors. In this regard, the Group recognizes changes in accounting estimates in the year in which they occur. Accounting errors are corrected in the year in which they occurred, restating the comparative information presented in the Financial Statements, where the errors are material. Changes in policies are recognized retrospectively, adjusting the opening balances of each affected equity component, from the previous year presented, unless a specific transitional provision exists for the initial application of a standard or interpretation.

2.23 Discontinued operation

An activity is classified as discontinued when it has been disposed of or alternative channels are used, or when it has been classified as held for sale, if the following conditions are met:

- It represents a line of business or geographical area of the operation that is significant and can be considered separate from the rest;
- it is a subsidiary acquired for the purpose of selling it.

The results of discontinued operations are presented separately in the income statement.

NOTE 3 – ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the consolidated financial statements, Group Management is required to make certain judgments, estimates and assumptions that affect the application of the accounting policies and, therefore, the figures presented in these consolidated financial statements.

The accounting estimates and judgments are assessed on an ongoing basis and are based on historical experience and other factors, including expectations regarding future events that are considered to be reasonable. The Company may revise such estimates if changes were to occur in certain events or circumstances.

The Group makes estimates and judgments regarding the future. The resulting accounting estimates may differ from the corresponding actual results. Changes in estimates are recognized in the Group's Financial Statements prospectively, as established in IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

The main estimates made by the Group are as follows:

a) Impairment losses on goodwill and other non-financial assets

Once a year, the Group tests goodwill for impairment, in accordance with the accounting policy detailed in **Note 2.11**.

At each reporting date the Group reviews whether there is any indication that its property, plant and equipment has become impaired, taking into account the criteria established in the policy. If any such indications exist, the entity estimates the recoverable amount of the asset in question. The recoverable amount of an asset is the higher of fair value less costs to sell and value in use.

The recoverable amounts of the cash-generating units in this year have been determined based on calculations of their value in use. Some estimates were made by an independent valuer.

The calculations of value in use are made using reasonable assumptions based on past returns and future market production and development expectations. Some of these assumptions relate to sales, margins,

discount rates and perpetuity growth rates, which involve a high degree of judgment. These assumptions are in line with the Group's climate-related strategy, plans and commitments as detailed in **Note 5.4**.

Notes 8.1 and **9.1** detail the analyses conducted by the Group in 2025 and 2024.

b) Business combinations

As described in the valuation standard for business combinations (**Note 2.5**), the Group assesses business combinations according to IFRS 3.

The consideration transferred in a business combination is calculated as the sum of the acquisition-date fair values of the assets transferred, the liabilities incurred or assumed, the equity interests issued and any contingent consideration that depends on future events or the fulfillment of certain conditions in exchange for control of the acquiree.

The Group engaged an independent expert to estimate the fair value and determine the resulting goodwill from acquiring the Haynes Group, as detailed in **Note 6.1**.

c) Useful lives of plant and equipment

The Group's Management determines the estimated useful lives and related depreciation charges for its plant and equipment based on valuations provided by technical experts. These estimates could change significantly due to technical innovations, changes in factory activity levels, and other factors. Management reviews depreciation charges periodically and adjusts them if the estimated useful lives differ from those previously applied. They also amortize or remove from the books any technically obsolete or non-strategic assets that have been abandoned or sold.

As a result of last year's business combination with the acquisition of Haymes, the Group estimated the fair values of its plant and equipment as well as the depreciation periods to be applied in the future.

d) Fair value of derivatives and other financial instruments

The Group acquires derivative financial instruments to hedge its exposure to exchange rate and interest rate fluctuations, as well as to fluctuations in certain commodity prices. The fair value of financial instruments not traded in active markets is determined using valuation techniques based mainly on market conditions existing at each reporting date, and provided that financial information is available to carry out this valuation. **Note 13.2.4** provides further information on the financial instruments measured on the basis of these assumptions.

e) Provisions

As indicated in **Note 2.17**, the provisions recognized in the consolidated statement of financial position reflect the best estimate at the reporting date of the amount expected to be required to settle the obligation, provided that the materialization of this outflow of resources is considered probable. Changes in envisaged circumstances could cause these estimates to vary, and they would be revised if necessary.

In the case of provisions arising from litigation in respect of which there are legal proceedings under way, the lawyers or independent experts determine the likelihood of occurrence of the events giving rise to the need to recognize a provision. In cases in which it is considered possible, although not probable, that an outflow of resources will occur or it is difficult to reliably determine the amount of the provision, the Group shall consider the provision to be a contingent liability and disclose the information in the notes (**Note 17**).

f) Net realizable value

As mentioned in **Note 2.13**, the Group estimates the net realizable values of its inventories in order to recognize the appropriate valuation adjustments. The expected selling prices of the inventories less costs to sell are taken into account when determining the net realizable value.

g) Determination of employee benefit obligations

Pension and similar obligations are determined on the basis of actuarial valuations which take into account statistical rates published by official bodies relating to future valuations such as expectations of salary increases, growth rates, mortality rates, discount rates, etc. These rates may vary significantly depending on

economic and market conditions, which would cause variations in the obligations recognized in the Financial Statements. These assessments are carried out by independent experts.

The Group recognizes in the consolidated statement of financial position the amounts arising from its employee benefit obligations, based on the actuarial valuations performed by independent experts.

Note 17.1 includes detailed information on the assumptions used in 2025 to perform the valuations.

h) Recognition of deferred tax assets and recoverability of tax credits for tax loss carryforwards and deductions to be offset

Separately from tax legislation, which in many cases allows the recovery of tax losses without limitation, as established in the related accounting policy (**Note 2.19**), the Group recognizes in the consolidated statement of financial position the deferred tax assets arising from tax loss and tax credit carryforwards, provided that they are recoverable over a reasonable period of time, which the Group has set at a maximum of ten years. The Group regularly assesses the recoverability of its available tax credits either by means of management-approved income forecasts, when these are reasonable and do not depend on uncertain events beyond the entity's control, or using verifiable positive evidence to determine the existence of future profits with which to recover such tax losses, in order to conclude whether or not they will be recoverable in that reasonable period.

The Group takes into account the tax laws applicable to the determination of tax bases in the future, the restrictions on offsetting tax bases imposed by certain laws and the impact of minimum payments set in certain countries. **Note 20.3** includes detailed information on the Group's existing tax assets and the bases used to determine the recoverability of recognized tax assets.

That said, due to the recurrence of accumulated losses in the Spanish tax consolidation, this year the Group has taken into account for the analysis of recoverability of tax credits of this scope, only the positive evidence with a probability of occurrence higher than 50%, such as the parent company obtaining dividends or the claims filed due to the declaration of unconstitutionality of Royal Decree 3/2016. Following the analysis, the Group has recorded a derecognition of tax credits of EUR 48,129 thousand of the deferred tax assets recognized at the end of last year (derived from tax loss carryforwards and deductions). In addition, in 2025, deferred tax assets amounting to EUR 6,693 thousand have been written off related to the reversal of the 50% compensation limitation for losses in the Spanish consolidated group for the 2023 and 2024 financial years.

In the current year, the Group has not recognized any additional amounts.

i) Recognition of a deferred tax liability arising from investments in subsidiaries

As established in the accounting policies (**Note 2.19**), certain companies forming part of the Consolidated Group have reserves which could be taxable if distributed, since certain legislation envisages withholdings at source that affect the payment of dividends, as well as limitations on the deductibility of gains from other countries distributed in the form of dividends. The Group recognizes the tax effect in this connection provided that it considers that such reserves will have to be distributed in the foreseeable future. At the same time, the Group shall also reverse this temporary difference against profit or loss when new legislative changes eliminate or reduce the tax liability of these reserves.

Since 2022, as a result of the entry into force in Spain of the amendment to income tax affecting the tax exemption for dividends received from Group companies, the aforementioned tax exemption for dividends received from qualifying ownership interests applicable to the parent of the Acerinox Group has been reduced to 95%, whereby it will be taxed on 5% of the dividends it receives from its subsidiaries, which will be treated as non-deductible expenses relating to management of the ownership interest. This limitation also exists in other countries such as Germany. As with the distributable reserves mentioned in the previous paragraph, the Group also takes into account the tax effect if it believes that the distribution of reserves from subsidiaries will be required in the foreseeable future.

Although there is no dividend distribution policy for subsidiaries, the Group analyses annually whether retained earnings of Group companies should be distributed to the parent company. Exceptionally, this fiscal year, the parent company received dividends from some subsidiaries, partially from reserves. The positive results generated by the entities year after year guarantee the parent company's equity position; therefore, management does not consider it necessary to distribute reserves of its subsidiaries in the future. Up to the current year, dividend repatriations have been made against earnings rather than against reserves. The Group

expects to continue with the same policy and it does not therefore consider it necessary to recognize a deferred tax liability associated with such retained earnings.

j) Recognition of deferred tax liabilities under Pillar 2 standards

As explained in accounting policies, in December 2021, the Organization for Economic Co-operation and Development ("OECD") published the "Pillar 2" model standards for reforming international corporate taxation. The standard requires affected large multinational companies to calculate their effective GloBE ("Global Anti-Base Erosion") tax rate for each jurisdiction in which they operate. These companies will be required to pay an additional tax on the difference between their effective GloBE tax rate, broken down by jurisdiction, and the minimum rate of 15%. The aforementioned Directive was transposed into Spanish law on December 20, 2024 by Law 7/2024, which establishes, among other measures, a Supplementary Tax to guarantee an overall minimum level of taxation for multinational groups and large domestic groups.

Prior to performing the detailed calculation required by Pillar 2, the Group analyzed the application of the Transitional Safe Harbors provided for in the Fourth Transitional Provision of Law 7/2024 and in the OECD administrative guidelines.

These safe harbors are applicable for the first three years (2024-2026), now extended to 2027.

While, as permitted by the amendment introduced by IAS 12, the Group has made use of the temporary exemption for the recognition and disclosure of deferred tax assets and liabilities related to income tax arising from Pillar 2, the preliminary analysis carried out by the Group indicates that most of the jurisdictions in which the Group operates, and therefore most of its entities, including the most relevant ones (located in the USA, Germany, South Africa, and Spain), would be covered by these safe harbors. This mitigates the impact on the current tax burden in the short term, though it does not exempt the Group from its formal reporting obligations.

NOTE 4 - EVENTS DURING THE YEAR

Below we highlight the most relevant events that occurred this year in both the stainless steel and high-performance alloys divisions, as well as the situation of both markets:

2025 was again marked by uncertainties arising from geopolitical tensions, such as the continued conflict between Ukraine and Russia and the crisis in Gaza. In commercial terms, the year was marked by the adoption of policies promoting strategic autonomy and the protection of domestic industry. The Trump administration implemented a universal tariff policy, while the EU responded with a proposal of trade defense measures aimed at mitigating the adverse effects of global overcapacity, specifically by limiting steel imports into the EU. In this scenario of uncertainty and volatility caused by trade wars, industrial production has been negatively affected.

Stainless steel market

The stainless steel market maintained low levels of activity throughout 2025. The expected recovery following the prolonged period of inventory adjustment that began in the second half of 2022 failed to materialize, having driven inventories to all-time lows in both the US and Europe in 2024—levels that remained relatively stable throughout the year.

Stainless steel production continued its recovery in the United States, under the protection of the US administration's regulatory changes. In Europe, by contrast, demand contracted once again due to the impact of rising imports in anticipation of the CBAM measures taking effect on January 1, 2026, and the new trade measure set to replace the current safeguard measures no later than July 1, 2026, which are expected to have a positive impact on the sector.

In connection with the new tariff measures in Europe, the European Commission is supporting the steel industry through the Steel Action Plan, which was presented in March 2025. This initiative seeks to strengthen the competitiveness and sustainability of the iron and steel industry in Europe in a context of geopolitical uncertainty and global excess capacity.

In December, the Council of the European Union adopted a negotiating mandate with the European Parliament on the Regulation addressing the adverse effects of global overcapacity on the EU steel market.

The new Regulation is designed to replace the existing steel safeguard measure, which is due to expire on June 30, 2026.

The EU Council's mandate retains the main protective elements of the Commission's proposal, specifically a significant reduction in import quotas (capping duty-free import volumes at 18.3 million metric tons per year), representing a 47% reduction compared to the 2024 imports, and an increase in the out-of-quota tariff to 50%, up from the current 25% safeguard tariff.

High-performance alloys market

The high-performance alloys market experienced a markedly weaker year compared to prior periods. Activity in the oil and gas sector remained subdued due to the absence of new projects. Likewise, demand in the chemical industry was significantly weaker.

The automotive and electronics sectors remained stable; however, previously strong OLED and fuel cell applications recorded softer demand.

The aerospace sector—where Haynes International maintains a significant presence—continued to trend positively and outperformed 2024.

NOTE 5 – FINANCIAL RISK MANAGEMENT

The Group's activities, in both its stainless steel and special alloy divisions, are exposed to various financial risks: market risk (foreign currency risk, interest rate risk and price risk), credit risk, liquidity risk and climate risk. The Group aims to minimize the potential adverse effects on its financial profitability through the use of derivative financial instruments, where appropriate to the risks, and by taking out insurance policies. **Note 13.2.6** includes a detailed analysis of the Group's derivative financial instruments at year-end.

The Group does not arrange financial instruments for speculative purposes.

In recent years, the growing war tensions coupled with the trade war being waged by the world's major powers and the impact on demand and markets, have made it increasingly important to analyze geopolitical risks and their impact on the Group. Section **5.5** includes an analysis of this risk

5.1 Market risk

Market risk arises from changes in market prices due to exchange rate or interest rate fluctuations or changes in prices of commodities and other materials or supplies, which can affect the Company's earnings, its equity and the measurement of its assets and liabilities.

5.1.1 Foreign currency risk

The Group operates internationally and in various currencies, particularly in the US dollar, and is therefore exposed to foreign currency risk. Foreign currency risk arises from commercial transactions as well as from financing and investment operations, and from the translation of Financial Statements the functional currencies of which is not the Consolidated Group's presentation currency (the euro).

Monetary assets and liabilities denominated in foreign currencies are translated to the Group's functional currency at the reporting date at the exchange rates then prevailing. Any exchange differences that arise from such translation are recognized in the consolidated income statement. To avoid fluctuations in the consolidated income statement due to changes in exchange rates, and to ensure the expected cash flows, the Group uses derivative financial instruments to hedge most of its commercial and financial transactions performed in currencies other than the functional currency of each country. To this end, at the beginning of each month and subject to fortnightly review, each company considers its loans in non-local currency, the balances of its trade receivables and payables to suppliers in foreign currency, the sales and purchases in foreign currency forecast for that period and the currency forwards arranged. The Group may take

commercial or financial transactions as a whole into account to evaluate its total exposure when hedging foreign currency transactions. The Group hedges balances with third parties and between Group companies.

The Group's business model is to hedge foreign currency risk through the use of derivative financial instruments and there is an economic relationship between the hedged item and the hedging instrument. The Group, mainly in its stainless steel division, hedges cash flow risks for transactions performed in foreign currencies that are recognized in the consolidated statement of financial position; accordingly, any change in the derivative valuation is recognized in the consolidated income statement and is offset by any changes that occur at each reporting date in the monetary items recognized in foreign currencies. The designation of these instruments as hedging instruments does not give rise to any accounting differences in the Group's consolidated income statement.

In the high-performance alloys division, following the incorporation of Haynes into the Group, hedging policies and currency exposure risks are different. In the case of VDM, as the manufacturing period is longer and orders are negotiated at a fixed price and much further in advance than in the stainless-steel division, hedging is performed immediately upon receipt of customer orders to ensure that the cash flow received matches the cash flow of the negotiations performed. The financial instruments arranged are valued at fair value through profit or loss. At year-end, Haynes has no outstanding financial instruments to mitigate foreign exchange risk due to its lower currency exposure. There is a high percentage of purchases and sales in the same currency, giving rise to natural hedges.

The derivative financial instruments used by the Group to hedge this risk consist of foreign currency purchase and sale forward contracts in accordance with the policies approved by management.

The fair value of foreign currency forward contracts is equal to their market value at the reporting date, i.e. the present value of the difference between the current forward rate and the contract rate.

Note 13.2.6 details the financial instruments arranged by the Group to hedge this type of risk at December 31, 2025 and 2024.

Lastly, the Group is exposed to foreign currency risk as a result of the translation of the separate Financial Statements the functional currency of which differs from the Group's presentation currency, particularly the US dollar and the South African rand. The USD/EUR exchange rate at 2025 year-end was 1.1750, while at 2024 year-end it stood at 1.0389 (USD depreciation of 13% for the year). The exchange rate of the South African rand to the euro at 2025 year-end was 19.4439, while at 2024 year-end it was 19.6188 (rand appreciation of 0.90%).

The Group does not use financial instruments to hedge foreign investments, since these are strategic long-term investments.

Neither the Group's future profits nor the expected dividends are hedged, the latter only being hedged, in any case, as soon as they are approved. **Note 15.4** includes a breakdown of the changes in translation difference items in the year.

Sensitivity to changes in these currencies with respect to the euro, with other variables remaining constant and based on the translation rates at the end of 2025 and 2024, respectively, was as follows:

(Amounts in thousands of euros)

	Profit or loss		Equity	
	10% appreciation	10% depreciation	10% appreciation	10% depreciation
December 31, 2025				
USD	37,533	-30,709	256,292	-209,694
ZAR	-4,938	4,040	15,583	-12,750
December 31, 2024				
USD	38,734	-30,481	356,967	-292,064
ZAR	-3,603	2,948	22,064	-18,053

5.1.2 Interest rate risk

The Group's financing comes from various countries and is provided in various currencies (mainly in the euro, the South African rand, and the US dollar), with a range of maturity dates and with loans mostly tied to variable interest rates.

The Group's financial liabilities and financial assets are exposed to fluctuations in interest rates. To manage this risk, interest rate curves are analyzed regularly and derivatives are occasionally used. These derivatives take the form of interest rate swaps which qualify for recognition for accounting purposes as cash flow hedging instruments. The fair value of interest rate swaps is the estimated amount that the Group would receive or pay to terminate the swap at the reporting date, taking into account interest rates at that date and the credit risk associated with the swap counterparties.

In addition, the Group takes out fixed interest rate loans to reduce its exposure to interest rate fluctuations. During the year, the Group took out one fixed-rate loan for a total of EUR 50 million.

The 2024-2025 period was marked by a cycle of official interest rate cuts by the European Central Bank (ECB) and the Federal Reserve (Fed) from more than 20-year highs. In 2025, the ECB made four cuts to bring the end-December 2025 deposit facility rate to 2% and the Fed made three cuts of 25 b.p., each to the 3.50%-3.75% range.

In this context and to continue to reduce interest rate risk, an interest rate derivative was contracted in the first quarter (Interest Rate Swap) for a total of EUR 50 million. For 2024, four interest rate derivatives were contracted for a total of EUR 260 million.

At December 31, 2025, the Group's total gross debt with credit institutions and similar entities amounted to EUR 2,158 million, 51% of which corresponds to fixed-rate debt (including debt contracted at variable interest rates but hedged with interest rate derivatives) and the remaining 49% to floating-rate debt. In addition, more than 60% of the Group's total debt has a maturity of more than one year.

If we take into account only loans (excluding the Columbus Borrowing Base Facility and Revolving Credit Facilities), which totaled EUR 1,839 million at the end of December, the percentage of fixed-rate term debt (including debt contracted at variable interest rates but hedged with interest rate derivatives) rises to almost 60%.

As in 2024, the Group has continued to actively manage its loans during 2025. The majority of the Group's financing at December 31, 2025 corresponded to term loans (around 85%).

Note 13.2.3 explains all new financing lines contracts undertaken throughout the year.

Note 13.2.6 details the financial instruments arranged by the Group to hedge this type of risk at December 31, 2025 and 2024.

In relation to the Group's interest rate sensitivity, had interest rates on its outstanding amount at year-end been 100 basis points higher, with all other variables remaining constant, the consolidated profit after tax would have been EUR 12.7 million lower (2024: also EUR 12.7 million lower) due to higher borrowing costs on floating-rate debt not covered by interest rate swaps. The effect on the Group's equity of such an increase in interest rates across the entire interest rate curve would have been a decrease of EUR 3.9 million (2024: an increase of EUR 0.2 million), since the borrowing costs would have pointed higher than increases in the values of its interest rate hedging derivatives held at the reporting date.

5.1.3 Price risk

The Group is exposed to several types of price risk:

1. Risk due to energy price fluctuation

Over the last years, the high volatility in the price of supplies, principally gas and electricity, have acquired special relevance.

As the Group's factories are electro-intensive consumers of energy, these variations pose a risk due to the impact they have on the manufacturing costs of both stainless steel and high-performance alloys.

The steel industry requires an intensive use of energy to melt scrap and ferroalloys in electric furnaces to obtain molten material, as well as the use of fossil fuels such as natural gas in the heating and melting processes. Acerinox is therefore working to continuously improve its production processes, promoting innovation and the development of more efficient and cleaner technologies in melting shop production and supporting advances in less polluting and more sustainable processes. In addition, the Group has exhaustive controls and monitoring methods for all processes, with advanced technologies and systems to achieve efficient energy consumption.

Although swings in energy prices have not been as relevant this year, it continues to be a variable subject to great volatility and with a significant impact on the Group's costs and therefore on its results.

Due to its electro-intensive nature, energy cost management is a strategic area for the Group and a constant element in excellence plans. The Group is constantly analyzing alternative sources of supply in order to reduce costs and its environmental impact.

The Group's plants most affected by energy price volatility are those in Europe. Energy prices in Europe (especially Spain and Germany) continue to be higher than in other countries, which means a loss of competitiveness with respect to other producing countries in the world. The Group has factories in Spain, Germany, the United States, and South Africa.

The Group seeks to mitigate the effects of volatile energy costs by making energy consumption more efficient for which it has defined specific energy intensity targets for its facilities.

In addition, the Group contracts PPAs (Power purchase agreements). As explained in the section on the Group's accounting policies, forward purchase contracts for energy are realized through the physical purchase of energy consumed by the Group in its stainless-melting shop production facilities. They are therefore supply contracts for own use. The expense is recorded in the income statement as the contracted energy is consumed.

The objectives pursued by contracting PPAs are threefold:

- Adequate hedging so that the final price is not so exposed to the fluctuations of the daily market.
- Fulfill the requirements of electricity-intensive consumers and those of indirect CO2.
- The consumption of green and/or renewable energy, as all of the Group's PPAs are linked to guarantees of origin.

Management of the PPAs for the Spanish factories is centralized through Acerinox Europa, which generates the highest consumption, and they are subsequently assigned to the other factories. The PPAs contracted guarantee 43% of Acerinox Europa's consumption until 2029, considering normal production levels. Acerinox has contracted an annual volume of 380.32 GWh until 2029. These are 10-year contracts that guarantee the contracted supply at a fixed price determined in the contract.

The Group also purchases renewable energy certificates (GdO and REC). These are in response to its commitment to reducing its carbon footprint and mitigating climate change, and therefore do not constitute an instrument for reducing the risk of energy price volatility. Acerinox has acquired certificates to reduce its carbon footprint by a total of 806,185 MWh with Guarantees of Origin in 2025 (2024: 465,000 MWh). The impact of the acquisition of renewable energy certificates not linked to energy delivery on the Group's income statement was not material and amounted to EUR 390 thousand (2024: EUR 172 thousand).

Electricity consumption in the Group's factories in 2025 was 2,606,612.5 MWh (2024: 2,356,668.22 MWh), of which 1,311,439.83 MWh have Guarantees of Origin (2024: 962,202 MWh).

There are no commitments for the future acquisition of renewable energy certificates except for those linked to renewable energy supply contracts (PPAs). The decision on the purchase of these certificates is made on an annual basis based on emission reduction needs and market price.

Due to the impact of energy price fluctuations on the Group's costs, management has included this variable as assumptions of relevant importance in valuations and forward estimates, particularly in Europe, and sensitivity analyses to energy price fluctuations are under way. A 10% fluctuation in the price of energy, both electricity and gas, compared to 2025 prices would have meant an upward or downward change in expenditure of around EUR 28 million, with all other variables remaining constant (20 million for electricity and 8 million for gas). These variations refer to the net invoice price, including PPAs and GdO, in the case of electricity and maintaining constant consumption in MWh.

2. Risk of changes in commodity prices

The Group's exposure to commodity price fluctuations is different in the Stainless-Steel Division than in the High-Performance Alloys Division, since, although both of the Group's divisions use commodities listed on the London Metal Exchange (LME), the performance of demand and the way in which these commodity price changes affect both markets are substantially different in each division.

2.1. Commodities used for the stainless-steel division

Stainless steel is an alloy of iron, chromium (> 10.5%) and carbon (< 1.2%) to which other minerals such as nickel or molybdenum are added to give it certain properties. Nickel is one of the minerals that are present in all austenitic alloys, the most common on the market, in a variable percentage between 6 and 22%. Both nickel and molybdenum are listed on the LME and their prices are therefore subject to fluctuations in market prices.

The cost of commodities accounts for about 70% of the total cost of the product, and of this, nickel accounts for about 50%. Therefore, nickel price volatility has a direct and significant effect on the cost of stainless steel. Consequently, the strategy in relation to setting selling prices and the repercussion of such fluctuations is one of the most critical functions and requires significant market knowledge. The price of nickel, because of its influence on the cost of stainless steel, ultimately determines the price of the final product, and there is a direct correlation between the two prices.

However, stainless steel is often a "commodity" product where consumers, in many cases metal traders, construction, engineering, automotive, kitchen appliances or industrial machinery, value trust in some manufacturers more than others, but where the final price is ultimately the key to supplier selection.

Producers try to pass on the volatility of commodities in the price of the final product through a variable price mechanism called "alloy surcharge". The alloy surcharge is a mathematical formula, calculated on a monthly basis by each of the market's stainless-steel producers, that takes into account changes in the prices of certain commodities (particularly nickel, chromium and molybdenum) and fluctuations in the EUR/USD exchange rate. The application of this alloy surcharge allows nickel price fluctuations on the LME to be passed on to customers during the order manufacturing phase, as well as fluctuations in the prices of other commodities and in the EUR/USD exchange rate.

While this mechanism is consistently respected in some markets, such as the United States and South Africa, it does not operate in the same way in Asia, where producers offer fixed prices when negotiating, which does not imply that prices are actually fixed, since they vary according to the commodity costs of these producers. This has repercussions in those markets with higher imports, such as the European market, which prevents the transfer of this price system to the end customer.

As was the case in 2024, in 2025, the mitigating effect of the alloy surcharge on the risk of price changes performed differently in the United States and in Europe. While in the North American market, the alloy surcharge is always respected by the market and provides a price stability factor, in Europe, the traditional base price plus alloy surcharge scheme has been replaced in part by an effective price system due to the pressure from imports and the weak demand, which has kept prices at minimum levels throughout the year.

This year, although stainless steel inventory levels in the German market supply chain remained below the historical average, pressure from imports and low levels of demand in Europe turned prices downward throughout the year.

In the United States, although apparent consumption has remained stable at low levels, the changes introduced by the US Administration in Section 232 (increase in tariffs from 25% to 50%) led to price increases in the second half of the year.

At the beginning of 2025, nickel prices recovered slightly to above USD 16,000 in March. In early April, however, prices fell sharply below USD 14,000, driven primarily by concerns that new tariffs could dampen demand in the base metals sector, particularly in the United States.

Prices subsequently stabilized around USD 15,000, reflecting a balance between global oversupply and regulatory uncertainty in Indonesia. Nickel remained broadly stable through year-end. Toward the close of the year, renewed concerns over potential restrictions on nickel ore supply in Indonesia pushed prices back above USD16,500.

The Group aims to minimize the impact of fluctuating commodity prices by keeping low inventory levels across the production chain, along with applying an alloy surcharge mechanism. In addition, the Group is rethinking its strategy towards high value-added products, which allows it less exposure to the volatility of commodity steels competing with Asian producers.

Due to all the variables involved in the price mechanism and the influence of the markets, determining the Group's sensitivity to price volatility in the stainless-steel division is very difficult.

2.2. Commodities used for the high-performance alloys division

The high-performance alloys division involves alloys whose content of listed metals such as nickel is much higher than that of stainless steel, reaching up to almost 100% in certain alloys. In addition, they may also contain other metals such as copper, cobalt, aluminum and molybdenum. The metal content in this type of alloys accounts for 2/3 of the total cost of the product and the selling price of these alloys is up to 10 times higher than that of stainless steel. The manufacturing period lasts around three to four months and, accordingly, the Group must purchase metals several months before they are sold.

The policies used by VDM and Haynes to hedge these risks are different:

In the case of VDM, it offers its customers fixed prices which it guarantees upon receipt of orders, thus initially assuming in full the risk of volatility of raw materials. To mitigate this risk, it has a metals trading department, which is responsible for entering into derivatives on the LME to hedge the metal purchases required to manufacture the products demanded by customers. In the case of metals not listed on the LME, natural hedges through physical stock are undertaken.

In order to avoid the volatility caused by the valuation of these derivatives in the income statement, following the incorporation of the High-Performance Alloys Division into the Group, it was decided to carry out an analysis of the economic model and hedging relationships in order to assess the possible application of hedge accounting to these derivatives. At January 1, 2021, hedging relationships for new derivatives entered into from that date were documented and a model to ensure hedge effectiveness was implemented, so the Group started to apply hedge accounting for the recognition of a large number of these financial instruments. **Note 13.2.6** includes detailed information on these instruments.

A 20% increase in the price of listed metals, which the Group hedges through forward purchases and sales, would currently have an impact on the valuation of derivatives of EUR 9.2 million, which would have a direct impact on other comprehensive income (equity). On the other hand, a 20% drop in the price of these metals would have a negative impact of EUR -9.2 million on the Group's equity.

Haynes negotiates a price component based on commodity prices with most of its customers, which allows it to transfer part of the risk, meaning it does not have to insure this risk by contracting derivatives.

2.3. Risk of price distortion due to the accumulation of stock in the market

The stainless-steel market is characterized by robust demand, which has grown at an annual rate of approximately 6% for over 50 years. The demand for stainless steel for all industrial applications and its presence in all industries guarantee that this growth rate will be sustained in the coming years. Although end consumption continues to grow steadily, the fact that this market is largely controlled by independent wholesalers leads to volatility in apparent consumption, based on their expectations regarding nickel price trends on the London Metal Exchange (LME) and their resulting stockpiling or inventory realization strategies.

Fluctuations in the price of nickel also affect consumer demand. Reductions in the price of nickel tend to go hand in hand with short-term drops in demand. Conversely, a rise in nickel prices tends to go hand in hand with higher demand. To lessen the risk associated with the predominant market control held by independent stockists, the Group's strategic approach involves emphasizing direct sales to end customers rather than relying on stockists. The Group's commercial network allows for the distribution of products to end customers via warehouses and service centers, facilitating sales stability and mitigating this risk.

2.4. Risk of overvaluation of inventories

The convenience of maintaining sufficient inventory levels at the Group's warehouses entails the risk that these inventories might be overvalued with respect to their market price. The Group mitigates this risk by keeping strict control of its inventory levels.

The valuation of commodities, work in progress and finished goods at average cost also helps to reduce the volatility of costs and, therefore, the impact of nickel price fluctuations on margins.

Due to low prices this year, fundamentally in the European market, and high costs due to low production, it has been necessary to carry out an inventory adjustment to net realizable value of EUR 60 million.

5.2 Credit risk

Credit risk is defined as the possible loss that could be incurred through the non-performance of a customer or debtor to meet contractual obligations.

The Group's exposure to credit risk is determined by the individual characteristics of each customer and, where applicable, by the risk inherent to the country in which the customer operates. Due to the diversity of its customers and the countries in which the Group operates, credit risk is not concentrated in any individual customer, industry or geographical region. None of the Group's customers, whether in the stainless steel or the high- performance alloys division, account for more than 10% of the Group's total sales.

The Group's policy is to hedge commercial and political risks in markets where payment terms and business practices make it advisable to do so. Coverage is provided through credit insurance companies, documentary credits, or bank guarantees confirmed by banks of recognized solvency in countries with a low financial risk. Credit insurance hedges between 90% and 95% of declared commercial risks, depending on the country in which the customer is located and the insurance company, and between 90% and 95% of political risks. The Group's main credit insurer has an A1 credit rating from Moody's and an A (excellent) rating from A.M. Best.

In 2025, payouts of EUR 389 thousand were collected under the credit insurance policy (2024: EUR 420 thousand).

A Risk Committee is responsible for monitoring the Group's credit risk instruction. New customers are analyzed in conjunction with the insurance company, which assigns a covered amount, enabling the Group to offer its general payment terms to those that fulfill the required credit conditions. Where required, the Risk Committee also performs a case-by-case analysis of customers' creditworthiness, setting internal risk limits and payment terms. Otherwise, payment in cash is required.

The Risk Committee consists of representatives from the sales, financial and legal departments. The risks of companies making up the Acerinox Group are analyzed, receiving information from the Delegated Risk Committees in the Group's main companies.

Among other duties, the Risk Committee reviews the status of past-due debts, monitors sales with excessive exposure and authorizes the transfer of internal risk or, depending on the amount, requests approval from the Management Committee. The Group has a formalized internal commercial credit risk management instruction that ensures the control of credit risk in the sales subsidiaries by defining various internal risk levels, which must be approved by the responsible persons named in the instruction.

The Group has long-standing commercial relationships with many of its customers. Delays in payment result in specific monitoring of future deliveries, payment terms and the review of credit limits.

Where permitted under local legislation in the country in which the customer operates, retention of title clauses may exist, to secure recovery of goods in the event of default.

The Group occasionally uses other financial instruments to reduce credit risk, such as factoring operations. The Group derecognizes factored financial assets when the risks and rewards of these assets have been substantially transferred.

The Group makes the valuation adjustments to trade receivables it deems necessary based on an expected credit loss model which analyses the average credit losses at each of the subsidiaries and the claims incurred on the credit insurance policies taken out, as detailed in **Note 2.12.2**.

Note 13.2.1 details the changes in valuation adjustments to trade receivables.

The consolidated balance of trade receivables at December 31, 2025 was EUR 476,236 thousand (2024: EUR 550,715 thousand), and revenue in 2025 amounted to EUR 5,780,513 thousand (2024: EUR 5,413,128 thousand). This implies an average collection period in the Group of 37 days (31 days in 2024).

Credit risk insurance was taken out for 49% of consolidated net sales (2024: 53%). Cash conditions existed for 3% of sales (2024: 6%). Confirmed letters of credit or guarantees were used to hedge credit risk in 1% of consolidated net sales (2024: 1%). Domestic sales by North American Stainless Inc., which entail a very low risk due to the collection period of under 30 days, accounted for 38% of consolidated net sales (2024: 40%), allowing deliveries to be controlled and reducing potential impairment losses.

The analysis of the age of the receivables is as follows:

(Amounts in thousands of euros)

	2025	% receivables	2024	% receivables
Not past due	383,815	81 %	453,381	82 %
Less than 30 days	68,021	14 %	78,878	14 %
Between 30 and 60 days	14,318	3 %	13,808	3 %
Between 60 and 90 days	5,052	1 %	2,105	0 %
More than 90 days	5,030	1 %	2,543	0 %
TOTAL	**476,236**		**550,715**	

The Group has made provisions for EUR 4,275 thousand (2024: EUR 4,292 thousand). A provision was made for EUR 358 thousand in 2025 (2024: EUR 553 thousand), accounting for 0.006% of sales in 2025 (2024: 0.010%); the Group's expected credit loss ratio is 0.016% (2024: 0.017%). The amount of the provision for doubtful accounts that Haynes had recorded at the time of the acquisition amounted to EUR 607 thousand.

Most of the past-due receivables are insured and generally reflect customary delays in trading activity (74% of past-due receivables are aged less than 30 days). At February 18, 2026, over 78% of the aforementioned past-due balances had been collected (2024: 80%).

These figures confirm the success of the Group's commercial risk management strategy.

In short, neither the accident rate nor payment delays are higher than in any other year, even against the backdrop of geopolitical uncertainty. The Group does not expect significant impacts in the future in view of the risk coverage policy in place and the high percentage of risks covered.

Any advances to non-current asset suppliers are hedged through bank guarantees issued by the supplier and confirmed by banks of recognized creditworthiness.

In relation to the credit risk of bank balances, as a general rule only banks and financial institutions that are rated by an independent third party with an "investment grade" credit rating are accepted. The Group has no significant concentration of risk, as the likelihood of default by the banks and financial institutions thus authorized is remote, based on their high credit ratings.

5.3 Liquidity risk

Liquidity risk is the risk of not being able to meet present and future obligations, not having the funds required to perform the Group's activities.

The Group is primarily financed through the cash flows arising from its operations, in addition to loans and other financing facilities.

Despite the increase in the Group's net indebtedness from acquiring the Haynes Group at the end of 2024 for USD 799 million through a cash payment by the US subsidiary North American Stainless, the Group has

maintained good access to liquidity through long-term loans and financing that exceed requirements at any given time.

The Group's cash resources are centrally managed in order to optimize resources. The debt is primarily concentrated within Acerinox, S.A. (more than 75% of total gross debt at year-end).

In 2025 and 2024, no defaults occurred on the principal or interest of the Group's various financing facilities.

At year-end the Group had access to short- and long-term financing facilities totaling EUR 2,905 million and approved non-recourse factoring facilities amounting to EUR 530 million. The amount drawn down on the financing facilities at December 31, 2025 amounted to EUR 2,158 million and EUR 228 million on the factoring facilities. In 2024, the short- and long-term financing facilities available to the Group amounted to EUR 3,049 million, and non-recourse factoring facilities amounted to EUR 530 million, while the drawdowns against the financing facilities amounted to EUR 2,383 million and drawdowns against the factoring facilities amounted to EUR 240 million. At December 31, 2025, cash and cash equivalents amounted to EUR 970 million (2024: EUR 1,263 million).

Cash and cash equivalent balances are available and there is no restriction on their use.

The Group makes short-term cash placements –never exceeding six months– and only at financial institutions of recognized creditworthiness.

In addition, the Group continuously monitors the maturity profile of its financial debt in order to establish the longest possible annual maturities.

In this regard, the most notable financing operations in 2025 were as follows:

- Signing of seven new long-term loans with various financial institutions for a total amount of EUR 236.5 million in Spain
- Renewal and extension of credit facilities up to a total amount of EUR 525 million and USD 135 million
- Following the maturity of several VDM financing facilities during 2025 for a maximum of EUR 290 million, VDM has entered into new bilateral financing facilities for a total of EUR 300 million.
- Renewal of Syndicated Factoring in Spain until 2027 for a maximum amount of EUR 380 million.

These financing transactions are explained in **Note 13.2.3**.

Haynes has no bank financing at the end of December since it received a loan from its parent company to pay off this debt. Like the other Group companies, its liquidity risk is also monitored centrally.

The most noteworthy financing transactions in 2024 were as follows:

- Signing of 13 new long-term loans with various financial institutions for a total of EUR 855 million, of which EUR 70 million was pending drawdown at year-end.
- 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 in the amount of EUR 40 million, not drawn down at year-end.
- Extension for an additional year of two of the bilateral financing lines signed with VDM for a total amount of EUR 80 million.
- Signing of a USD 20 million credit facility for Bahru Stainless (at the end of December, this policy had expired).

The analysis of the Group's payment obligations at the end of 2025 is as follows:

(Amounts in thousands of euros)

	2025							
		Future cash flow maturities (payments)						
	Amount at 12/31/2025	Amount of future payments	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years	Undetermined maturity
Long-term borrowings	1,321,519	-1,442,094	-26,360	-22,402	-521,909	-839,837	-31,586	
Current payables	836,970	-854,758	-328,762	-525,996				
Payable to suppliers and other payables	748,218	-748,218	-748,218					
Other non-current financial liabilities	17,931	-17,931			-11,881	-3,238	-1,407	-1,405
FINANCIAL DERIVATIVES								
Hedges through interest rate swaps	-4,124	4,215	1,568	727	1,120	800		
Commodity derivatives - purchases	-4,035	4,035	4,035					
Commodity derivatives - sales	56	-56	-56					
Currency forwards against exports	-2,865	2,865	2,865					
Currency forwards against imports	999	-999	-999					
TOTAL	**2,914,669**	**-3,052,941**	**-1,095,927**	**-547,671**	**-532,670**	**-842,275**	**-32,993**	**-1,405**

The first column reflects the closing balances shown in the accounts. Positive amounts are credit balances (liabilities) and negative amounts are debit balances (assets). The following columns reflect the cash outflows that will be carried out to settle liabilities and meet payment terms. Negative amounts represent disbursements (cash outflows), while positive amounts reflect cash inflows.

The balances of "payable to suppliers and other payables" do not include payables to Public Administrations. All the maturities of the debt with suppliers are short-term.

"Other non-current financial liabilities", which are categorized as liabilities with an indefinite maturity, mainly relate to deposits and guarantees that have no specific maturity date or for which the date of repayment is unknown. The remainder are leasing payments.

Future cash flow maturities include the principal plus interest based on contractual interest rates and the interest rates expected by the market at year-end.

Approved investments not recognized under property, plant and equipment under construction at the reporting date are not included.

5.4. Climate risk

Stainless steel is a sustainable and durable material, and one which is highly resistant and infinitely recyclable. Despite these positive qualities, the steel industry accounts for a considerable proportion of global industrial emissions. This phenomenon is due to the intensive use of energy needed to melt scrap and ferro-alloys in electric furnaces in order to obtain molten material, as well as to the use of fossil fuels, such as natural gas, in the heating and melting processes. Reducing emissions in the steel industry is essential to mitigate climate change and meet global targets.

Similarly, the Group's industrial activity is subject to the effects of climate change (droughts, floods, etc.), which may affect the operation of its factories due to the difficulty of accessing certain resources (water, raw materials, etc.), impacts on its operations, etc.

Acerinox is aware of the risks it faces that stem from climate change. The company pays special attention to environmental protection and the efficient use of natural resources in the development of its activities.

In early 2025, the Board approved the new carbon emission reduction targets for 2030 and the associated Decarbonization Plan.

The new emissions reduction targets are more ambitious, aiming to be compatible with limiting global warming to 1.5°C, and based on science (SBTi). They include a 45.28% reduction in Scope 1 and 2 emissions by 2030 compared to 2021. The Group has also set a target of a 15% reduction in Scope 3 by the same year. By the end of 2025, these targets were revised, incorporating Haynes, and a reduction was set of 44.76% for Scope 1 and 2 emissions, and 15% for Scope 3 in 2030 versus 2021.

The Decarbonization 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 Group has also established a sustainability policy and climate change policy supported by complementary policies defining its commitments to address climate change mitigation and adaptation. These were approved by the Board of Directors in 2025.

Acerinox's model for managing climate change follows the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and includes information on governance, strategy, risk management and opportunities, as well as metrics and targets. Acerinox understands that business management is linked to a commitment to sustainability which takes the form of the specific, ambitious and measurable objectives that are set out in the company's Sustainability Plan.

The Board of Directors is ultimately responsible for the Group's climate change management through the sustainability and audit committees within their spheres of influence.

The Group's climate risk management is integrated into corporate risk management. Climate risks are overseen by the Audit Committee of the Board of Directors, as part of its function of overseeing the comprehensive risk control system. Likewise, climate risks are examined in the Board's Sustainability Committee.

In 2025, the Acerinox Group updated its climate risk and opportunity analysis. This new analysis covers all of the Group's own assets (including factories, service centers, warehouses and main offices), also takes into account the main customers and suppliers of the production plants, and can be periodically updated through a proprietary tool.

The climate risk assessment has been framed within climate scenarios aligned with best practices, and the typology of risks and opportunities has been expanded and systematized to meet regulatory requirements.

For this process, the Group follows the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and applies the standardized method set out in ISO 14091, which is aligned with the Recommendations of the 5th Assessment Report of the Intergovernmental Panel on Climate Change (IPCC). The study considered three time horizons: short term (2026), medium term (2030) and long term (2050). For more information, see the Consolidated Management Report in the climate change chapter.

Considering the most aggressive risk scenarios, the most relevant inherent risks would be:

- Physical risks: In general, the inherent risk levels of Acerinox's own assets tend to be low. As in the preceding analysis, water stress represents a material inherent risk for Acerinox Europa and Columbus. Significant risks from extreme weather events (floods, storms, fires, etc.) have also been identified at certain facilities.

  During the fiscal year, a Climate Adaptation Plan was drawn up, the implementation of which significantly reduces the risk level. Existing measures, both already implemented and in progress, have been identified, along with more than 200 additional adaptation measures derived from international best practices with a 2030 horizon.

- Transition risks: different market-related risks have been identified (energy consumption, customer preferences, raw material prices, etc.), regulatory (carbon prices including CBAM, access to subsidies and financing, etc.), technological (increased CAPEX / OPEX).

  Mitigation and control measures have been identified to reduce risk, including the setting of the emissions reduction target and the associated Decarbonization Plan. No assets have been identified that are incompatible with a transition to a climate-neutral economy.

It should be noted that the risk levels identified are inherent, i.e., they are prior to the consideration of any Acerinox measures that could be implemented. They have also been evaluated in the most pessimistic scenario, to identify the maximum potential vulnerability of assets and operations, thus providing a solid basis for strategic planning and prioritization of mitigation measures.

The three key areas that may be affected by accounting estimates and judgments related to the effects of climate change are: analysis of recoverability of non-financial assets, determination of useful lives of plant and equipment, and credit valuations. As a result of this analysis and taking into account the mitigation measures implemented and the 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.

Planned investments are related to improving the company's competitiveness, renovation processes, maintenance and recurring improvements, including improvements in efficiency and reduction of energy consumption, in turn reducing climate risks.

The Group always requires that investments have a return in order to be approved. In impairment analyses and for the determination of future cash flows, the Group does not take into account cash flows arising from improvements or increases in asset yields. Cash flows are estimated for assets in their current state, and this affects any investment plans made, including those investments that contribute to climate risk mitigation.

On the other hand, the growth rates, discount rates and risk rates used in the impairment tests are market ratios that implicitly reflect the valuation of climate risk. The discount rates used and the growth rates in perpetuity are based on the best estimates of companies or international organizations of recognized prestige (OECD, IMF, international financial institutions, rating companies or independent evaluators), which implicitly include in their estimates factors related to climate change risk, as this affects the following parameters: risk-free premiums, betas, market premiums or expected long-term inflation rates. These rates do not differ significantly from those applied in previous years.

As for the budgeted EBIT margin, which is another key assumption considered in the impairment tests, due to the type of customers and activity, no changes in demand directly related to climate change are expected, nor are changes in operating costs, as explained in the preceding paragraphs.

Regarding the determination of useful lives set out in **Note 3**, Group management determines the estimated useful lives and related depreciation charges of its plant and equipment based on valuations carried out by experts, taking into account technical innovations, variations in the activity levels of the plants, regulatory changes, or needs for improvements or replacements due to climate change. Management periodically reviews the depreciation charge, which is modified whenever the estimated useful lives are different from the lives previously applied. The recurrent maintenance plans and investment proposals carried out by the factories take into account efficiency objectives and adaptation to new technologies, thus contributing to climate change and making it unlikely that the Group's assets will become obsolete as a result of climate change.

With respect to credit ratings and the limitation that regulations impose on financial institutions to grant financing to companies that are not sustainable, climate risk also has no material impact on credit ratings. At year-end, there are ten sustainable financing lines with an outstanding amount of approximately EUR 700 million, linking the cost of financing to the evolution of established sustainability indicators that are reviewed annually. One of these indicators is carbon intensity (scopes 1+2) and is aligned with the decarbonization path set by the Company for 2030. Breach of the KPIs would result in a very marginal increase in the cost of these financing facilities, although it would never result in early maturity of the same.

Note 9 details the fixed assets whose purpose is the minimization of environmental impact and the protection and improvement of the environment, as well as the environmental expenses incurred by the Group.

5.5 Geopolitical risks

Geopolitical conflicts continue to affect the global risk landscape and have a widespread economic impact (uncertainty, economic developments, inflation rates, etc.).

During 2025, the global geopolitical situation has had a major impact on international markets and world trade. Increased tensions in the Strait of Hormuz, marked by the direct involvement of Iran, Israel and the US, has consolidated a panorama of uncertainty in international markets. Given its critical nature to global energy and logistics trade, Iran's threats to close the strait have raised serious concerns about a dramatic hike in oil and gas prices, triggering a global energy and economic crisis.

Although the trade sanctions imposed on Russia do not imply a total embargo on imports and exports, the Acerinox Group does not carry out any buying or selling commercial activity with Russia. The only remaining representative office in the country belongs to VDM and is dormant. These decisions have not led to any disruption in the supply chain or significant economic impacts.

One consequence of the war between Israel and Hamas has been the reorganization of trade routes, increasing transport times and costs, towards the Cape of Good Hope route, which has consolidated this year as the preferred shipping route. However, in no case have there been any disruptions in the supply chain.

The Acerinox Group continues to monitor entities and individuals that may be sanctioned or on blacklists published by the various States and Organizations.

At the same time, the US change of administration has brought important changes in tariffs for the steel industry.

On February 10, 2025, Section 232 of the US Trade Expansion Act was revised from its initial (March 2018) scope, applying a 25% tariff on all duty-free imports by country and product exclusions, and extending coverage to by-products containing stainless steel, effective March 12. Subsequently, a Proclamation of June 3 increased the tariff to 50%, effective June 4.

Finally, on June 16, 2025, the Department of Commerce announced the extension of Section 232 tariffs to more downstream products, including refrigerators, freezers, washers, dryers, dishwashers, stoves and more, effective June 23.

On the other hand, in April 2025, the US administration announced its intention to impose new "reciprocal" tariffs on imports from numerous countries and on non-Section 232 products. Many of these tariffs were initially suspended for 90 days, until July 9, 2025, to allow for bilateral trade negotiations. During this time, most products from the affected countries (except China, Canada and Mexico) were subject to a 10% base tariff. However, the suspension was then extended until August 1, 2025, the deadline for the entry into force of the new tariffs.

Finally, on July 27, 2025, a trade agreement was reached between the US administration and the EU, establishing a tariff ceiling of 15% for most sectors covered by previous policies. However, steel and aluminum were excluded from this, remaining subject to a 50% tariff.

On the European side, the safeguard measures implemented in 2018 have proven ineffective in recent years, and the market remains under enormous pressure from imports, especially from Asia, with overcapacity and dumping in Europe as a result of the tightening of Section 232 in the USA.

In this context, on March 19, 2025, the European Commission published the Steel & Metal Action Plan, which includes a commitment to implement an effective alternative to safeguard measures. This alternative was formally materialized with the legislative proposal presented on October 7, 2025, the main pillars of which are the following:

a) Ensuring clean and affordable energy supply
b) Preventing carbon leakage
c) Strengthening and protecting European industrial capabilities
d) Promoting the circularity of metals
e) Defending quality industrial jobs

Following the final proposal, the regulatory framework that will replace the current safeguard measures is expected to be in place as of July 1, 2026. This new system, based on GATT Article 28, significantly tightens import controls along three main lines:

- Volume and Import Capacity Restriction: 47% reduction on the annual duty-free limit with respect to the 2024 quotas.
- Increase in Tariff Pressure: the tariff for volumes exceeding the allocated quotas doubles from 25% to 50%.
- Application of the "Melt and Pour" clause: a requirement is introduced that the steel must have been melted and poured in the country of origin to avoid circumvention through third countries.

Although the Group's geographic diversification and its strength in the United States act as a natural hedge, mitigating a significant impact via tariffs, the CAPEX allocated to buying European capital goods for Haynes International and NAS plants has been increased by the application of reciprocal tariffs.

These trade tensions and geopolitical uncertainty have spilled over into financial markets, causing high volatility in foreign exchange markets, where interest rate policies have behaved differently by region. In response to high inflation and weak growth, the ECB completed its easing cycle in the first half of 2025, stringing together four 25 b.p. cuts that brought the deposit rate to 2.00% in June 2025, a level that remained stable until year-end. The Fed maintained a more restrictive stance during the first half of the year in the 4.25-4.50% range, initiating new adjustments only in the last four months of the year to end 2025 in the 3.50-3.75% range. This initial divergence and subsequent convergence has marked a year of high volatility in the foreign exchange market, with the US dollar being the currency that has depreciated most. During 2025, the US dollar lost around 13% versus the euro and closed December 2025 at 1.1750 USD/EUR (December 31, 2024: 1.0389 USD/EUR).

The Group's access to financing has not altered as a result of the geopolitical conflicts, nor has there been any variation in the covenants imposed by the banks on the Group's borrowing.

Geopolitical uncertainties and tariff wars, coupled with increased imports, have negatively impacted the European market, making it difficult to meet the forecasts made at the end of last year. Therefore, the Group has performed a recoverability analysis of its main assets subject to signs of impairment (see **Notes 8.1, 9.1 and 20.3**), resulting in a write-off of tax credits amounting to EUR 48 million.

The +13% depreciation of the USD this year has had an impact on the income statement as well as on balance sheet and equity items. Specifically, the +conversion differences went from EUR 51,248 thousand at the end of 2024 to reduce equity by EUR -237.539 thousand at the end of this period (see **Note 15.4**).

5.6 Capital management

The aims of the capital management policy are:

- to safeguard the Group's capacity to continue its sustained growth;
- to provide sufficient returns to shareholders; and
- to maintain an optimal capital structure.

The Company manages its capital structure and makes adjustments to it based on changes in economic circumstances. To maintain and adjust the capital structure, the Company can adopt various policies relating to the payment of dividends, the reimbursement of the issue premium, share repurchases, self-financing of investments, non-current borrowings, etc.

Capital structure is controlled using various ratios, such as the net financial debt/EBITDA ratio, understood to be the period necessary for the resources generated by the Company to cover the level of debt; or the gearing ratio, i.e. the relationship between the net financial debt and equity of the Company.

Net financial debt is taken to be the sum of current and non-current loans, less cash and cash equivalents. EBITDA reflects profit or loss from operations, less depreciation and amortization, changes in operating provisions and allowances, and impairment losses recognized in the year.

The "net financial debt/EBITDA" ratio was x 3.4 this year (2024: x 2.2). While net financial debt increased by 6%, the Group's EBITDA decreased by 29% compared to the previous year.

The Group's net financial debt increased by EUR 68 million to EUR 1,189 million (2024: EUR 1,120 million). The gearing ratio stood at 56.7% (2024: 43.5%).

One of the Group's strategic pillars is the maintenance of its financial strength, which is defined as sustainable cash generation over time in order to utilize capital efficiently and generate shareholder value. Cash generation continues to be one of the primary objectives. This year, despite the lower results obtained, operating cash flow amounted to EUR 455 million (2024: EUR 294 million). This milestone is a direct result of a working capital reduction plan, which reduced the same by EUR 406 million (2024: EUR 71 million). The EUR 383 million reduction in inventory management is of particular note.

After investments of EUR 311 million (EUR 205 million in 2024), free cash flow was EUR 213 million (EUR -662 million in 2024 due to the Haynes acquisition).

In 2025, the Company invested EUR 155 million in shareholder remuneration, in line with the prior year (EUR 0.62 per share).

The Group recorded translation losses, mainly due to the weak dollar, of EUR 126 million.

Return on Capital Employed (ROCE) in 2025 was 4.7% (2024: 9.4%). ROCE is calculated by dividing the operating result in the income statement by the capital employed, i.e. equity plus net financial debt.

As of December 31, 2025, the Acerinox Group had liquidity amounting to EUR 1,716 million (2024: EUR 1,929 million). Of this, EUR 970 million corresponds to cash and cash equivalents and short-term deposits (2024: EUR 1,263 million) and EUR 746 million to available financing lines at various Group subsidiaries (2024: EUR 666 million).

The Group continuously monitors the maturity profile of its financial debt in order to establish the longest possible annual maturities. In this regard, as explained in both **Note 5.3** and **13.2.3**, the Group has maintained good access to liquidity through long-term loans and financing facilities outstanding in amounts in excess of those required at any given time.

At year-end, the Group had sustainable financing lines totaling EUR 701.3 million (2024: EUR 516.6 million), linking their cost to the evolution of the indicators to be reviewed annually.

The Group's total gross debt at December 31, 2025 was EUR 2.158 billion, of which 51% was fixed interest rate debt (including debt contracted at floating interest rates but hedged with interest rate derivatives) and the remaining 49% was floating interest rate debt. More than 60% of the Group's total gross debt has a maturity of more than one year.

5.7 Insurance

The geographical diversification of the Group's factories (with three integrated stainless-steel flat product manufacturing plants and three long product manufacturing plants) ensures that an accident would not affect more than one third of total stainless-melting shop production. This guarantees business continuity, while

adequate coordination between the other factories mitigates the consequences of material damage to any of the facilities.

The high-performance alloys division had seven manufacturing plants, five in Germany and two in the United States. The incorporation of Haynes International in this segment in 2024, with three manufacturing plants for flat products, long products and pipes, also reduces the consequences of any incident occurring in any of them.

Sufficient coverage has been arranged for the Group's factories through material damage and loss-of-profit insurance policies, which account for over 71.73% of the corporate insurance expenditure. Also, all assets under construction are covered by the insurance policies taken out by the respective suppliers as well as the specific coverage within the material damage policy. When required by the newly constructed entity, a specific construction and assembly policy is taken out.

The Acerinox Group has also arranged general third-party liability, environmental, cybersecurity, credit, transport and group life and accident insurance policies to reduce its exposure to these various risks.

The Group also has a reinsurance company based in Luxembourg (Inox Re), which manages these risks by assuming a portion as self-insurance and accessing the reinsurance market directly.

Haynes International has a set of insurance policies which is very similar, and in certain cases complementary, to the Acerinox Group's insurance program. In any case, a global review of policies is being carried out in connection with the integration of Haynes International in order to optimize the Group's insurance program.

NOTE 6 – SCOPE OF CONSOLIDATION

6.1 Business combinations

During 2025, there were no changes in the Group's consolidation scope.

In relation to last year's business combination with the acquisition of the Haynes Group, and which is explained below, the Group has definitively closed the valuation exercise at fair value of the net assets acquired and the determination of the goodwill without significant variations with respect to the values obtained at the end of 2024. During this year, the Group has concluded the estimation of the residual useful lives of the property, plant and equipment resulting from revaluing assets at fair value and also the allocation of the goodwill generated in this business combination to a specific CGU (Cash Generating Unit). For the valuation exercise, the methods used at year-end and detailed in these financial statements, as well as the discount rates and assumptions used for each of the items, have been maintained,

On February 5, 2024, Acerinox Group announced the signing of an agreement under which its North American subsidiary, North American Stainless ("NAS"), would acquire Haynes International ("Haynes"), a leading US company in the development, manufacture and commercialization of technologically advanced high-performance alloys.

The Haynes Board of Directors submitted to its shareholders the approval of the sale of 100% of its shares. On April 16, 2024, Haynes' shareholders approved the proposed cash acquisition by NAS for USD 61 per share. However, such transaction was subject to approvals from various authorities: on March 18, approval was obtained from the Department of Justice, on June 27 from the Committee on Foreign Investment in the United States (CFIUS), the European countries that were to review the transaction from a Foreign Direct Investment (FDI) point of view also gave their approval, and finally the competition authorities of the United Kingdom and Austria gave their approval, the latter on November 15, 2024. Therefore, the closing date of the transaction took place within five business days, as established in the contract.

On November 21, 2024, the Group completed the purchase, through its US subsidiary, North American Stainless, of 100% of the shares of Haynes International, representing 100% of the voting rights. Upon completion of the deal, the Company's common stock ceased trading on the Nasdaq Global Select Market.

This transaction is further evidence of Acerinox's strategy to diversify its activity towards higher value-added products and strengthens Acerinox's position in the high-performance alloys market, the US market and the aerospace sector. Haynes will integrate, together with VDM, the Acerinox Group's high-performance alloys segment.

Haynes, with 112 years' history, is one of the world's largest developers, producers and distributors of high-performance alloys, based in the United States. Products manufactured by Haynes are sold primarily in the aerospace, chemical processing and industrial gas turbine sectors, and consist of high temperature resistant alloys and corrosion resistant alloys. High temperature resistant alloys are used by manufacturers of equipment such as jet engines for the aerospace market, gas turbine engines used for power generation and industrial heating equipment. Corrosion resistant alloys are used in applications requiring resistance to highly corrosive areas such as chemical processing, power plant emission control and waste treatment.

Haynes has manufacturing facilities in Kokomo (Indiana), Arcadia (Louisiana) and Hendersonville (North Carolina). The Kokomo plant specializes in flat products, the Arcadia plant in tubular products and the Hendersonville plant in wire products and small diameter bars. Products manufactured by Haynes are sold primarily through its distribution network, which includes 11 service centers in the United States, Europe and Asia.

The acquired business generated revenues and income after taxes for the Group for the period from the acquisition date to December 31, 2024 amounting to EUR 42,214 thousand and EUR 381 thousand, respectively. If the acquisition had occurred on January 1, 2024, the Haynes Group's revenue and profit for the period ended December 31, 2024 would have amounted to EUR 547,248 thousand and EUR 19,728 thousand, respectively. These amounts do not include the amortization impact derived from the valuation of assets at fair value as a result of the allocation of the acquisition price.

The detail of the consideration given, the fair value of the net assets acquired and definitive goodwill is as follows:

	Thousands of euros
Cash paid	768,896
Total consideration paid	**768,896**
Fair value of net assets acquired	640,615
GOODWILL	**128,281**

As explained in the 2024 Financial Statements, there was no contingent consideration reliant on future events or the fulfillment of certain conditions in exchange for control of the acquired business.

The Group recognized transaction-related costs in the amount of EUR 20,578 thousand in the consolidated income statement, as indicated in **Note 18**.

IFRS-3 establishes that the valuation period of the business combination may not exceed one year from the acquisition date. At the end of last year, the goodwill shown in the Group's consolidated balance sheet was provisional, since the Group was within the valuation period established by the standard to obtain all the data necessary to conclude on such valuation. This year the Group has definitively closed the valuation exercise at fair value of the net assets acquired and determination of the goodwill without significant variations with respect to the values obtained at the end of 2024. The Group has completed the estimation of the residual useful lives of the property, plant and equipment resulting from revaluing assets at fair value and allocating the goodwill generated in this business combination to a specific CGU (Cash Generating Unit). For the valuation exercise concluded, the methods used at the end of the previous year, as well as the discount rates and assumptions used for each of the items, have been maintained.

The Group engaged an independent valuator to determine the fair values of the assets and liabilities acquired.

Goodwill represents the excess of the cost of acquisition of the investment in the Haynes Group over the fair value of the identifiable net assets of the acquiree at the acquisition date (assets, liabilities and contingent liabilities). The most relevant factors leading to recognition of goodwill were the Group's diversification, access to new markets with better margins, future potential synergies, as well as the technical expertise of Haynes employees. Goodwill is not deductible for tax purposes.

Another pending issue at the end of last year was allocating goodwill to the Group's Cash-Generating Units (CGUs), which are expected to benefit from the synergies of the business combination.

A CGU is the smallest identifiable group of assets capable of generating cash inflows independently.

In allocating goodwill, the Group took into account the following aspects:

- The CGU must represent the lowest level of the entity managed by the company's Management and on which the entity makes decisions.
- It must not exceed the operating segment recognized for the acquired business.

After analyzing these aspects, Management has determined that the smallest identifiable group of assets capable of generating cash inflows that are independent of cash flows from other assets is the Haynes subgroup as a whole.

The Haynes Group has 11 entities, as listed in Note 6.2, all of which are closely related. The production process is fully integrated, with Haynes International being the main factory that distributes its products to the Haynes Group's other units, either to continue the production process or for sale, requiring the participation of all the entities that make up the subgroup in order to obtain cash flows.

The Haynes Group also takes the entire subgroup into account in decision-making and in defining strategy, and monitors activity and results jointly. Accordingly, the goodwill generated in the business combination was fully allocated to the Haynes subgroup, which is part of the high-performance alloys operating segment.

The detail of the definitive fair values of the assets, liabilities and contingent liabilities determined by the independent expert were as follows:

	Fair value (EUR thousand)	Book value (EUR thousand)
Non-current assets		
Intangible assets	97,218	8,937
Property, plant and equipment	334,019	141,935
Right-of-use assets	6,727	6,727
Deferred tax assets	4,419	4,419
Other non-current financial assets	29	29
TOTAL NON-CURRENT ASSETS	442,412	162,047
Current assets		
Inventories	351,209	340,094
Trade and other receivables	82,862	82,862
Current income tax assets	6,143	6,143
TOTAL CURRENT ASSETS (excluding cash)	440,214	429,099
Non-current liabilities		
Bank borrowings	-110,764	-110,764
Non-current provisions	-50,414	-50,414
Deferred income	-4,728	-4,728
Deferred tax liabilities	-72,514	-1,453
Other non-current financial liabilities	-8,684	-8,684
TOTAL NON-CURRENT LIABILITIES	-247,104	-176,043
Current liabilities		
Bank borrowings	-2	-2
Trade and other payables	-54,119	-54,119
Current income tax liabilities	-393	-393
TOTAL CURRENT LIABILITIES	**-54,514**	**-54,514**
TOTAL NET ASSETS ACQUIRED (excluding cash)	**581,008**	**360,589**
Amount paid in cash	768,896	
Cash and cash equivalents	-59,607	-59,607
Net cash flow paid for the acquisition	**709,289**	**-59,607**

Following the valuation, it was determined that the net book value of the assets and liabilities at the date of acquisition corresponded to their fair value, except for the following items:

- Plant, machinery and equipment
- Patents and technology
- Inventories

The following methods were used for the valuation of these assets:

- Plant, machinery and equipment - Depreciated replacement cost at date of acquisition. The replacement cost method was used for the valuation of property, plant and equipment. This method provides the value of an asset by considering the cost that would be incurred to replace the asset with another of similar characteristics using current materials and techniques. Subsequently, the estimated replacement cost is reduced by the accumulated amortization over the economic life of the asset to reflect physical deterioration over time and adjusted to include functional and/or economic obsolescence (if any) to arrive at a conclusion on its fair value. The resulting fair value of tangible fixed assets was EUR 334,019 thousand.
- Patents and technology – Royalty Relief method. Under this method, the value of the asset reflects the savings obtained by owning the patent. The premise associated with this valuation technique is that in the event of having to acquire a license from an independent third party in order to use the patent, the latter would require payment of a percentage of the income obtained from its use. This cost savings, or exemption from royalty payments, represents the value of the patent, consisting of the discounted present value of the revenue expected to be earned from the patent over its remaining useful life. The estimated useful life is 15 years. The pretax royalty rate used in the valuation was 7.5% and the discount rate, 13%. The resulting value of this intangible asset amounted to EUR 35,615 thousand.
- Inventories: the top-down valuation approach was used and the expected selling price of the respective inventory was estimated, less all costs expected to be incurred for its completion, i.e. additional production costs for inventories in process as well as the costs for its disposal and sale. The revaluation amounted to EUR 11,115 thousand.

In addition, new intangible assets associated with the following elements were identified:

- Customer relationships – Haynes has a long history of customers, a lot of them have been with the company for many years. The multi-period excess earnings method was used to measure this group of assets. Based on this method, the value of the intangible asset is calculated as the present value of the cash flows generated by such asset. As this asset normally generates cash flows in combination with other tangible and intangible assets (fixed assets, working capital, trademark, labor force, etc.), the estimated cost of using the other assets mentioned above ("cost of the contributory assets") must be deducted from the estimated cash flows associated with the asset to be valued. The estimated useful life is 15 years, the customer churn rate is 7.5% and the discount rate 13%. The amount recognized for this item totaled EUR 39,465 thousand.
- Trademarks – Royalty Relief method. The amount recognized for this item totaled EUR 22,139 thousand.

As a result of the recognized increases in value versus their tax values, a deferred tax liability of EUR 71,061 thousand was recognized. This is the only value adjusted with respect to the provisional values estimated at the end of the last fiscal year following completion of the valuation exercise. The variation (EUR 2,136 thousand) is due to the adjustment of state tax rates to the applicable effective rates.

No contingent liabilities to be recorded as a result of the business combination have been identified.

Following the acquisition, North American Stainless gave Haynes a loan to pay off the bank debt outstanding at the time of the acquisition and to manage its working capital needs. This transaction was recognized separately from the acquisition of assets and assumption of liabilities in the business combination.

The recoverability of goodwill resulting from this business combination at year-end 2024 was based on the acquisition-date fair value exercise underlying the price paid. The main assumptions in the calculation of this fair value were: a discount rate of 10.8%, a perpetual growth rate of 2.5% and an EBITDA margin over budgeted average sales of 19.91% for the period considered until 2039.

6.2 Changes in the scope of consolidation

In 2025, there were no changes in the Group's scope of consolidation.

During the last fiscal year 2024, the changes in the Group's scope of consolidation were, on the one hand, the incorporation into the Group of Haynes International and its affiliate companies and, on the other hand, the sale of Bahru Stainless Sdn. Bhd, the incorporation of Cabaran Dunia Sdn.Bhd and the liquidation of the Acerinox Group's subsidiary Acerinox Russia. All these transactions are detailed below:

Haynes International, Inc.

As explained in the previous section, on November 21, 2024 the Group company North American Stainless acquired 100% of the shares of Haynes International, Inc. The company has interests in various entities, as shown in the table below, which are included in the Acerinox Group's Financial Statements from the date of acquisition:

Company	Country	% Ownership
HAYNES INTERNATIONAL INC.	USA	100%
LAPORTE CUSTOM METAL PROCESSING LLC	USA	100%
HAYNES INTERNATIONAL LTD.	Great Britain	100%
HAYNES INTERNATIONAL SARL	France	100%
HAYNES INTERNATIONAL AG	Switzerland	100%
HAYNES INTERNATIONAL SRL	Italy	100%
HAYNES PACIFIC PTE LTD	Singapore	100%
HAYNES INTERNATIONAL TRADING CO LTD	China	100%
HAYNES INTERNATIONAL CHINA CO LTD	China	100%
HAYNES INTERNATIONAL JAPAN KK	Japan	100%

Bahru Stainless, Sdn. Bhd

On October 10, 2024, the Group signed a contract with Worldwide Stainless Sdn. Bhd, a company registered in Malaysia, to sell 100% of the shares of Bahru Stainless, the company that owns the Group's factory in Johor (Malaysia), for USD 95 million. The transaction closed on December 3 of last year.

The impact of this sale on the results of the Consolidated Group was positive, i.e. EUR 146,260 thousand due to the difference between the amount of the sale (EUR 90,493 thousand) and the value of the net assets transferred at the date of the sale (EUR 38,826 thousand) and the translation differences accumulated in equity due to the valuation of the investment in euros at the historical exchange rate. In accordance with IAS 21, "when there is a disposal of a foreign operation, the cumulative amount of exchange differences recognized in other comprehensive income and accumulated in equity should be reclassified to the income statement for the year". The amount of translation differences recognized in Bahru's equity at the time of the sale amounted to EUR 94,593 thousand.

The amount of the sale of the shares was broken down as follows: USD 18,400 thousand were received in cash at the time of signing the contract, USD 73,600 thousand by means of a bank guarantee with Ambank to be collected during the first half of 2025, included under the heading "other financial assets" in the current assets of the balance sheet, and USD 3,000 thousand which would be paid as the buyer makes use of the tax credits or after the three-year period from the closing of the transaction in December 2024 has elapsed, which appears under "other long-term financial assets". In this fiscal year, EUR 68,268 thousand have been collected corresponding to the guaranteed outstanding amount.

In its 2024 Financial Statements, the Group included the results generated by Bahru up to the date of disposal, amounting to EUR -12,408 thousand.

Pursuant to the applicable accounting policy, the result of the sale was not considered a "discontinued operation" since neither an operating segment nor a geographic segment had been discontinued. Bahru Stainless belonged to the stainless steel production and sales segment, as do other Group companies that

engage in the same activity. The stainless steel segment includes Acerinox Europa, North American Stainless and Columbus, as well as the entire sales network.

On the other hand, this was not a geographic area that would be discontinued. The Acerinox Group has another trading subsidiary in Malaysia (Acerinox SC Malaysia), active in the distribution of stainless steel in the Asian region and which will continue its activity. There are also Haynes and VDM subsidiaries selling in this Asian region.

In addition, Bahru Stainless did not meet the definition of "significant component" at a lower level than the segment, given the percentages represented over the Group's two most relevant parameters, sales and total assets.

According to the purchase agreement signed, Acerinox, prior to the sale, had to settle all debts with credit institutions and third parties and Bahru Stainless had to transfer to Worldwide Stainless Sdn. Bhd. all assets existing at the date of sale except for the rights to use the undeveloped land and one piece of machinery. Prior to the sale, both assets were transferred to a new Group company in Malaysia (Cabaran Dunia, Sdn. Bhd) acquired for that special purpose. The sale was at market value as determined by an independent third party, although it is shown in the Consolidated Financial Statements at acquisition cost.

As a result of the valuation obtained for these lands, the Group reversed the impairment loss of EUR 3,086 thousand, since the fair value turned out to be higher than its carrying value before such impairment.

Prior to the acquisition, Acerinox acquired from Bahru Stainless' minority shareholder (Hanwa, Co. Ltd.) its stake of 1.1874% for EUR 47 thousand. This means that at the time of the sale of Bahru the Group held 100% of the shares. The amount recognized under minority interests at the time of the sale amounted to EUR 458 thousand and therefore the difference was taken to reserves, as required by the accounting standard,

Cabaran Dunia, Sdn. Bhd.

As indicated in the previous section on the divestment of Bahru. Cabaran Dunia was acquired last year. Although this is a business combination, given its immateriality, it had no impact on the consolidated financial statements.

Acerinox Russia, LLC,

In 2024, the Group's trading company in Russia (Acerinox Russia, LLC) was definitively closed. This entity was no longer in business and no longer had any employees at the time of closing. The result from the liquidation of the Group's subsidiary in Russia resulted in a loss of EUR 196 thousand as a result of translation differences recorded in equity.

6.3 Subsidiaries and associates

Subsidiaries

At December 31, 2025 and 2024, in addition to Acerinox, S.A., the scope of consolidation of the Acerinox Group included 65 fully consolidated subsidiaries.

The detail of investments in associates in 2025 is as follows:

		2025			
		OWNERSHIP			
FULLY CONSOLIDATED COMPANIES	COUNTRY	COST (in thousands of euros)*	% NOMINAL VALUE	HOLDER OF OWNERSHIP INTEREST	AUDITORS
ACERINOX (SCHWEIZ) A.G.	Mellingen - Switzerland	327	100%	ACERINOX, S.A.	PwC
ACERINOX ARGENTINA S.A.	Buenos Aires - Argentina	598	90%	ACERINOX, S.A.	Estudio Canil
		13	10%	INOXIDABLES DE EUSKADI, S.A.U.	

		2025			
		OWNERSHIP			
FULLY CONSOLIDATED COMPANIES	COUNTRY	COST (in thousands of euros)*	% NOMINAL VALUE	HOLDER OF OWNERSHIP INTEREST	AUDITORS
ACERINOX AUSTRALASIA PTY. LTD.	Sidney - Australia	385	100%	ACERINOX, S.A.	
ACERINOX BENELUX S.A. - N.V.	Brussels - Belgium	209	99.98%	ACERINOX, S.A.	PwC
		0	0.02%	INOXIDABLES DE EUSKADI, S.A.U.	
ACX DO BRASIL REPRESENTAÇOES, LTDA.	São Paulo - Brazil	373	100%	ACERINOX, S.A.	
		0	0.001%	INOXIDABLES DE EUSKADI, S.A.U.	
ACERINOX CHILE, S.A.	Santiago de Chile - Chile	7,545	100%	ACERINOX, S.A.	PwC
ACERINOX COLOMBIA, S.A.S.	Bogotá D.C. - Colombia	468	100%	ACERINOX, S.A.	
ACERINOX DEUTSCHLAND GMBH	Langenfeld - Germany	45,496	100%	ACERINOX, S.A.	PwC
ACERINOX EUROPA, S.A.U.	Algeciras - Spain	278,541	100%	ACERINOX, S.A.	PwC
ACERINOX FRANCE, S.A.S	Paris - France	18,060	99.98%	ACERINOX, S.A.	PwC
		0	0.02%	INOXIDABLES DE EUSKADI, S.A.U.	
ACERINOX INDIA PVT LTD.	Mumbai - India	155	100%	ACERINOX, S.A.	ISK & Associates
ACERINOX ITALIA S.R.L.	Milan - Italy	78,844	100%	ACERINOX, S.A.	Collegio Sindicale - Studio Revisori Associatti
ACERINOX METAL SANAYII VE TICARET L.S.	Gümüşsuyu / Beyoğlu - Turkey	150	100%	ACERINOX, S.A.	
ACERINOX MIDDLE EAST DMCC (DUBAI)	Dubai - United Arab Emirates	10	100%	ACERINOX, S.A.	HLB Hamt
ACERINOX PACIFIC LTD.	Wan Chai - Hong Kong	7,467	100%	ACERINOX, S.A.	PwC
ACERINOX POLSKA, SP. ZO.O.	Warsaw - Poland	25,178	99.98%	ACERINOX, S.A.	PwC
		0	0.02%	INOXIDABLES DE EUSKADI, S.A.U.	
ACERINOX SCANDINAVIA AB	Malmö - Sweden	31,909	100%	ACERINOX, S.A.	PwC
ACERINOX S.C. MALAYSIA SDN. BHD	Johor - Malaysia	19,475	100%	ACERINOX, S.A.	PwC
ACERINOX SHANGAI CO., LTD.	Shanghai - China	1,620	100%	ACERINOX, S.A.	Shanghai Shenzhou Dalong
ACERINOX (SEA), PTE LTD.	Singapore - Singapore	193	100%	ACERINOX, S.A.	PwC
ACERINOX U.K, LTD.	Birmingham - United Kingdom	28,504	100%	ACERINOX, S.A.	PwC
ACEROL - COMÉRCIO E INDÚSTRIA DE AÇOS INOXIDÁVEIS, UNIPESSOAL, LDA.	Trofa - Portugal	15,828	100%	ACERINOX, S.A.	PwC
COLUMBUS STAINLESS (PTY) LTD.	Middelburg - South Africa	152,169	76%	ACERINOX, S.A.	PwC
CORPORACIÓN ACERINOX PERU, S.A.C.	Lima - Peru	794	100%	ACERINOX, S.A.	
INOX RE, S.A.	Luxembourg	1,225	100%	ACERINOX, S.A.	PwC
INOXCENTER CANARIAS, S.A.U.	Telde (Gran Canaria) - Spain	270	100%	INOXCENTER	PwC
INOXCENTER, S.L.U.	Barcelona - Spain	17,758	100%	ACERINOX, S.A.	PwC
INOXFIL, S.A.	Igualada (Barcelona) - Spain	24,745	100%	ROLDAN, S.A.	PwC
INOXIDABLES DE EUSKADI, S.A.U.	Vitoria - Spain	2,705	100%	ACERINOX EUROPA, S.A.U.	PwC
INOXPLATE - COMÉRCIO DE PRODUCTOS DE AÇO INOXIDÁVEL, UNIPESSOAL, LDA.	Trofa - Portugal	8,493	100%	ACEROL - COMÉRCIO E INDÚSTRIA DE AÇOS INOXIDÁVEIS, UNIPESSOAL, LDA.	
METALINOX BILBAO, S.A.U.	Galdácano (Vizcaya) - Spain	3,718	100%	ACERINOX, S.A.	PwC
NORTH AMERICAN STAINLESS INC.	Kentucky - USA	547,264	100%	ACERINOX, S.A.	PwC
NORTH AMERICAN STAINLESS CANADA, INC.	Canada	5,091	100%	NORTH AMERICAN STAINLESS INC.	PwC
NORTH AMERICAN STAINLESS MEXICO S.A. DE C.V.	Apodaca - N.L.Mexico	18,948	100%	NORTH AMERICAN STAINLESS INC.	PwC
NORTH AMERICAN STAINLESS FINANCIAL INVESTMENTS LTD.	Kentucky - USA	15	100%	ACERINOX, S.A.	
ROLDAN, S.A.	Ponferrada - Spain	11,050	100%	ACERINOX, S.A.	PwC
VDM METALS HOLDING GMBH	Werdohl - Germany	313,607	100%	ACERINOX, S.A.	PwC
VDM METALS INTERNATIONAL GMBH.	Werdohl - Germany	51,404	100%	VDM METALS HOLDING, GMBH.	PwC
VDM METALS GMBH	Werdohl - Germany	107,086	100%	VDM METALS HOLDING, GMBH.	PwC
VDM (SHANGHAI) HIGH PERFORMANCE METALS TRAD. CO. LTD.	Shanghai - China	200	100%	VDM METALS, GMBH.	Pan-China Certified Public Accounts
VDM HIGH PERFORMANCE METALS NANTONG CO. LTD.	Nantong - China	2,087	100%	VDM METALS INTERNATIONAL GMBH.	Pan-China Certified Public Accounts
VDM METALS AUSTRALIA PTY. LTD.	Mulgrave - Australia	1,322	100%	VDM METALS, GMBH.	
VDM METALS AUSTRIA G.M.B.H.	Bad Erlach - Austria	4,515	100%	VDM METALS, GMBH.	
VDM METALS BENELUX B.V.	Zwijndrecht - Netherlands	2,535	100%	VDM METALS, GMBH.	BDO
VDM METALS CANADA LTD.	Vaughan - Canada	336	100%	VDM METALS, GMBH.	
VDM METALS DE MEXICO S.A. DE C.V.	Naucalpan de Juarez - Mexico	30	100%	VDM METALS, GMBH.	Rocha Camarillo y Cia

	2025				
		OWNERSHIP			
FULLY CONSOLIDATED COMPANIES	COUNTRY	COST (in thousands of euros)*	% NOMINAL VALUE	HOLDER OF OWNERSHIP INTEREST	AUDITORS
VDM METALS FRANCE S.A.S.	Saint-Priest - France	8,465	100%	VDM METALS, GMBH.	
VDM UNTERSTÜTZUNGSKASSE GMBH	Werdohl, Germany	0	100%	VDM METALS, GMBH.	
VDM METALS ITALIA S.R.L.	Sesto San Giovanni - Italy	10,704	100%	VDM METALS, GMBH.	LawaL Studio Legale e Tributario Associato
VDM METALS JAPAN K.K.	Tokyo - Japan	178	100%	VDM METALS, GMBH.	
VDM METALS KOREA CO. LTD.	Seoul - Korea	103	100%	VDM METALS, GMBH.	Samdo
VDM METALS UK LTD.	Richmond - United Kingdom	100	100%	VDM METALS, GMBH.	Lubbock Fine
VDM METALS USA LLC	Florham Park - USA	27,649	100%	VDM METALS, GMBH.	PwC
HAYNES INTERNATIONAL INC.	USA	768,896	100%	NORTH AMERICAN STAINLESS INC.	PwC
LAPORTE CUSTOM METAL PROCESSING LLC	USA	12,426	100%	HAYNES INTERNATIONAL INC.	PwC
HAYNES INTERNATIONAL LTD.	Great Britain	2,962	100%	HAYNES INTERNATIONAL INC.	PwC
HAYNES INTERNATIONAL SARL	France	2,228	100%	HAYNES INTERNATIONAL INC.	Deloitte
HAYNES INTERNATIONAL AG	Switzerland	7,233	100%	HAYNES INTERNATIONAL INC.	PwC
HAYNES INTERNATIONAL SRL	Italy	23	100%	HAYNES INTERNATIONAL AG	
HAYNES PACIFIC PTE LTD	Singapore	921	100%	HAYNES INTERNATIONAL INC.	Thong & Lim
HAYNES INTERNATIONAL TRADING CO LTD	China	426	100%	HAYNES PACIFIC PTE LTD	Zongzingcai Guanghua
HAYNES INTERNATIONAL CHINA CO LTD	China	1,868	100%	HAYNES PACIFIC PTE LTD	Zongzingcai Guanghua
HAYNES INTERNATIONAL JAPAN KK	Japan	278	100%	HAYNES PACIFIC PTE LTD	
CABARAN DUNIA, SDN.BHD	Johor - Malaysia	0	100%	ACERINOX, S.A.	PwC

(*) Amounts are shown net of impairments

The activities of the Group companies are as follows:

- Acerinox, S.A.: is the parent company of the Acerinox Group and holds directly or indirectly the shares of the companies comprising the Group. As the parent company of the Group, it assumes the highest level of management and control over the Group's business operations, corporate functions, and overall coordination with other entities. It approves and supervises the strategic business areas. It is responsible for establishing, designing and developing the Group's policies and financial strategy, designing investment and environmental policies, defining the R&D strategy, overseeing the management services provided to subsidiaries and developing corporate governance policies. It also provides a range of corporate services, including legal, accounting and advisory services to all Group companies.
- Acerinox Europa, S.A.U.: manufacture and marketing of flat stainless-steel products.
- North American Stainless, Inc.: manufacture and marketing of flat and long stainless-steel products.
- Columbus Stainless (PTY) Ltd.: manufacture and commercialization of flat stainless-steel products.
- Roldan, S.A.: manufacture and marketing of long stainless-steel products.
- Inoxfil, S.A.: manufacture and marketing of stainless-steel wire.
- VDM Holding Metals GmbH: is the holding company of the group of companies comprising the VDM subgroup, which belongs to the High-Performance Alloys Division.
- VDM Metals International GmbH, a company wholly owned by VDM Holding Metals GmbH, procures the commodities required for the production of the high-performance alloys, markets the finished products and centralizes the VDM Group's research and development by directly managing and administering the business and outsourcing production to another of the entities that are part of the subgroup. The company also has a quality assurance department.
- VDM Metals GmbH, the owner of the production facilities, processes commodities into high-performance alloys on behalf of VDM Metals GmbH.
- Haynes International, Inc.: is the parent company of the Haynes Group dedicated to the manufacture of high-performance alloys, headquartered in the United States.
- Inox Re, S.A.: Reinsurance company.
- Inoxplate, Comercio de productos de Aço Inoxidável, Unipessoal Lda: owner of the industrial building in which the Group company in Portugal -Acerol, Comércio e indústria de Aços inoxidáveis- carries out its operating activities, for the lease of which it receives income.
- North American Stainless Financial Investment, Inc.: provision of foreign trade advisory services.

- Cabaran Dunia, Sdn. Bhd: this is a special purpose entity acquired in Malaysia after the sale of Bahru Stainless Sdn. Bhd. This company owns certain land previously owned by Bahru Stainless and intended for sale.
- The rest of the companies, which are direct or indirect affiliates of Acerinox, S.A., as well as the VDM and Haynes subgroup entities, engage in the marketing of stainless-steel products or high-performance alloys.

The detail of investments in associates in 2024 is as follows:

	2024				
FULLY CONSOLIDATED COMPANIES	COUNTRY	COST (in thousands of euros)*	% NOMINAL VALUE	HOLDER OF OWNERSHIP INTEREST	AUDITORS
ACERINOX (SCHWEIZ) A.G.	Mellingen - Switzerland	327	100%	ACERINOX, S.A.	PwC
ACERINOX ARGENTINA S.A.	Buenos Aires - Argentina	598	90%	ACERINOX, S.A.	Estudio Canil
		13	10%	INOXIDABLES DE EUSKADI, S.A.U.	
ACERINOX AUSTRALASIA PTY. LTD.	Sidney - Australia	385	100%	ACERINOX, S.A.	
ACERINOX BENELUX S.A. - N.V.	Brussels - Belgium	209	99.98%	ACERINOX, S.A.	PwC
		0	0.02%	INOXIDABLES DE EUSKADI, S.A.U.	
ACX DO BRASIL REPRESENTAÇOES, LTDA.	São Paulo - Brazil	373	100.00%	ACERINOX, S.A.	
		0	0.001%	INOXIDABLES DE EUSKADI, S.A.U.	
ACERINOX CHILE, S.A.	Santiago de Chile - Chile	7,545	100%	ACERINOX, S.A.	
ACERINOX COLOMBIA, S.A.S.	Bogotá D.C. - Colombia	468	100%	ACERINOX, S.A.	
ACERINOX DEUTSCHLAND GMBH	Langenfeld - Germany	45,496	100%	ACERINOX, S.A.	PwC
ACERINOX EUROPA, S.A.U.	Algeciras - Spain	608,641	100%	ACERINOX, S.A.	
ACERINOX FRANCE, S.A.S	Paris - France	18,060	99.98%	ACERINOX, S.A.	PwC
		0	0.02%	INOXIDABLES DE EUSKADI, S.A.U.	
ACERINOX INDIA PVT LTD.	Mumbai - India	155	100%	ACERINOX, S.A.	ISK & Associates
ACERINOX ITALIA S.R.L.	Milan - Italy	78,844	100%	ACERINOX, S.A.	Collegio Sindicale - Studio Revisori Associatti
ACERINOX METAL SANAYII VE TICARET L.S.	Gümüşsuyu / Beyoğlu - Turkey	150	100%	ACERINOX, S.A.	
ACERINOX MIDDLE EAST DMCC (DUBAI)	Dubai - United Arab Emirates	10	100%	ACERINOX, S.A.	HLB Hamt
ACERINOX PACIFIC LTD.	Wan Chai - Hong Kong	7,467	100%	ACERINOX, S.A.	PwC
ACERINOX POLSKA, SP. ZO.O.	Warsaw - Poland	25,178	99.98%	ACERINOX, S.A.	PwC
		0	0.02%	INOXIDABLES DE EUSKADI, S.A.U.	
ACERINOX SCANDINAVIA AB	Malmö - Sweden	31,909	100%	ACERINOX, S.A.	PwC
ACERINOX S.C. MALAYSIA SDN. BHD	Johor - Malaysia	19,476	100%	ACERINOX, S.A.	PwC
ACERINOX SHANGAI CO., LTD.	Shanghai - China	1,620	100%	ACERINOX, S.A.	Shanghai Shenzhou Dalong
ACERINOX (SEA), PTE LTD.	Singapore - Singapore	193	100%	ACERINOX, S.A.	PwC
ACERINOX U.K, LTD.	Birmingham - United Kingdom	28,504	100%	ACERINOX, S.A.	PwC
ACEROL - COMÉRCIO E INDÚSTRIA DE AÇOS INOXIDÁVEIS, UNIPESSOAL, LDA.	Trofa - Portugal	15,828	100%	ACERINOX, S.A.	PwC
COLUMBUS STAINLESS (PTY) LTD.	Middelburg - South Africa	241,725	76%	ACERINOX, S.A.	PwC
CORPORACIÓN ACERINOX PERU, S.A.C.	Lima - Peru	794	100%	ACERINOX, S.A.	
INOX RE, S.A.	Luxembourg	1,225	100%	ACERINOX, S.A.	PwC
INOXCENTER CANARIAS, S.A.U.	Telde (Gran Canaria) - Spain	270	100%	INOXCENTER	PwC
INOXCENTER, S.L.U.	Barcelona - Spain	17,758	100%	ACERINOX, S.A.	PwC
INOXFIL, S.A.	Igualada (Barcelona) - Spain	16,545	100%	ROLDAN, S.A.	PwC
INOXIDABLES DE EUSKADI, S.A.U.	Vitoria - Spain	2,705	100%	ACERINOX EUROPA, S.A.U.	PwC
INOXPLATE - COMÉRCIO DE PRODUCTOS DE AÇO INOXIDÁVEL, UNIPESSOAL, LDA.	Trofa - Portugal	9,193	100%	ACEROL - COMÉRCIO E INDÚSTRIA DE AÇOS INOXIDÁVEIS, UNIPESSOAL, LDA.	
METALINOX BILBAO, S.A.U.	Galdácano (Vizcaya) - Spain	3,718	100%	ACERINOX, S.A.	PwC
NORTH AMERICAN STAINLESS INC.	Kentucky - USA	546,798	100%	ACERINOX, S.A.	PwC
NORTH AMERICAN STAINLESS CANADA, INC.	Canada	5,091	100%	NORTH AMERICAN STAINLESS INC.	PwC
NORTH AMERICAN STAINLESS MEXICO S.A. DE C.V.	Apodaca - N.L.Mexico	18,948	100%	NORTH AMERICAN STAINLESS INC.	PwC
NORTH AMERICAN STAINLESS FINANCIAL INVESTMENTS LTD.	Kentucky - USA	15	100%	ACERINOX, S.A.	
ROLDAN, S.A.	Ponferrada - Spain	17,405	100%	ACERINOX, S.A.	PwC
VDM METALS HOLDING GMBH	Werdohl - Germany	313,460	100%	ACERINOX, S.A.	PwC

VDM METALS INTERNATIONAL GMBH.	Werdohl - Germany	51,404	100%	VDM METALS HOLDING, GMBH.	PwC
VDM METALS GMBH	Werdohl - Germany	107,086	100%	VDM METALS HOLDING, GMBH.	PwC
VDM (SHANGHAI) HIGH PERFORMANCE METALS TRAD. CO. LTD.	Shanghai - China	200	100%	VDM METALS, GMBH.	Pan China
VDM HIGH PERFORMANCE METALS NANTONG CO. LTD.	Nantong - China	2,087	100%	VDM METALS INTERNATIONAL GMBH.	Pan China
VDM METALS AUSTRALIA PTY. LTD.	Mulgrave - Australia	1,322	100%	VDM METALS, GMBH.	
VDM METALS AUSTRIA G.M.B.H.	Bad Erlach - Austria	4,515	100%	VDM METALS, GMBH.	
VDM METALS BENELUX B.V.	Zwijndrecht - Netherlands	2,535	100%	VDM METALS, GMBH.	BDO
VDM METALS CANADA LTD.	Vaughan - Canada	336	100%	VDM METALS, GMBH.	
VDM METALS DE MEXICO S.A. DE C.V.	Naucalpan de Juarez - Mexico	30	100%	VDM METALS, GMBH.	Rocha Camarillo y Cia
VDM METALS FRANCE S.A.S.	Saint-Priest - France	8,465	100%	VDM METALS, GMBH.	
VDM UNTERSTÜTZUNGSKASSE GMBH	Werdohl, Germany	0	100%	VDM METALS, GMBH.	
VDM METALS ITALIA S.R.L.	Sesto San Giovanni - Italy	10,704	100%	VDM METALS, GMBH.	LawaL Studio Legale e
VDM METALS JAPAN K.K.	Tokyo - Japan	178	100%	VDM METALS, GMBH.	
VDM METALS KOREA CO. LTD.	Seoul - Korea	103	100%	VDM METALS, GMBH.	Samdo
VDM METALS UK LTD.	Richmond - United Kingdom	100	100%	VDM METALS, GMBH.	Lubbock Fine
VDM METALS USA LLC	Florham Park - USA	27,649	100%	VDM METALS, GMBH.	PwC
HAYNES INTERNATIONAL INC.	USA	768,896	100%	NORTH AMERICAN STAINLESS INC.	PwC
HAYNES WIRE COMPANY, MOUNTAIN HOME NC	USA		100%	HAYNES INTERNATIONAL INC.	
LAPORTE CUSTOM METAL PROCESSING LLC	USA	14,600	100%	HAYNES INTERNATIONAL INC.	PwC
HAYNES INTERNATIONAL LTD.	Great Britain	3,481	0%	HAYNES INTERNATIONAL INC.	PwC
HAYNES INTERNATIONAL SARL	France	0	0%	HAYNES INTERNATIONAL INC.	Deloitte
HAYNES INTERNATIONAL AG	Switzerland	0	0%	HAYNES INTERNATIONAL INC.	PwC
HAYNES INTERNATIONAL SRL	Italy	0	0%	HAYNES INTERNATIONAL AG	PwC
HAYNES PACIFIC PTE LTD	Singapore	0	0%	HAYNES INTERNATIONAL INC.	Thong & Lim
HAYNES INTERNATIONAL TRADING CO LTD	China	0	0%	HAYNES PACIFIC PTE LTD	Zongzingcai Guanghua
HAYNES INTERNATIONAL CHINA CO LTD	China	2,195	100%	HAYNES PACIFIC PTE LTD	Zongzingcai Guanghua
HAYNES INTERNATIONAL JAPAN KK	Japan	245	100%	HAYNES PACIFIC PTE LTD	
CABARAN DUNIA, SDN.BHD	Johor - Malaysia	0	100%	ACERINOX, S.A.	

(*) Amounts are shown net of impairments

Affiliates

The detail of investments in associates in 2025 and 2024 is as follows:

AFFILIATES	OWNERSHIP			
	COUNTRY	COST (in thousands of euros)	% NOMINAL VALUE	HOLDER OF OWNERSHIP INTEREST
BETINOKS PASLANMAZ ÇELIK A.S.	Turkey	0	25%	ACERINOX, S.A.
MOL Katalysatortechnik GmbH	Germany	16	20.45%	VDM METALS, GMBH.
Evidal Schmöle Verwaltungsgesellschaft mbH	Germany	15	50%	VDM METALS, GMBH.

The associates are entities which are scantly material for the Group, the ownership interests in which are measured at cost, as the Group is not involved in their management and therefore, does not have their Financial Statements. The entity Betinoks Paslanmaz Celik, A.S., based in Turkey, is in the process of liquidation. MOL Katalysatortechnik, GmbH, based in Germany, engages in the production and distribution of mineral and metal catalysts. On the other hand, EVIDAL Schmöle Verwaltungsgesellschaft GmbH manages the pension funds of one of the former manufacturing companies.

6.4 Capital increases and reductions

The following capital increases were carried out during the year:

Acerinox Europa

The difficult situation of the European market, the increased imports as a result of the world tariff crisis and the downward pressure on prices have led Acerinox, S.A., the Group's parent company and sole shareholder, on December 22 this year, to carry out a capital increase with a share premium for a total amount of EUR 200,000 thousand in Acerinox Europa, S.A.U., domiciled in Spain. The capital increase, fully subscribed by Acerinox, S.A., was carried out by issuing 1 million shares with a par value of EUR 1 each and an issue premium of EUR 199,000 thousand (EUR 199 per share). This capital increase, like the one carried out the previous year, is a response to the existence of a situation of equity imbalance of the Company, derived from the decrease in the equity figure, which, according to the latest available financial information, would have been reduced to an amount of less than half of the capital stock at year-end.

The capital stock after the capital increase amounted to EUR 65,000 thousand and equity amounted to EUR 166,147 thousand at the year-end.

In turn, Acerinox, S.A. has recognized an increase in its investments in Group companies amounting to EUR 200,000 thousand, equivalent to the issue price of the shares, which does not differ from its carrying amount at that date.

Additionally, on December 12 of the previous year, a non-cash capital increase was carried out through a share premium, offsetting credits totaling EUR 430,000. This amount corresponds to a loan granted by Acerinox, S.A. to its subsidiary. The capital increase was carried out by issuing 2 million shares with a par value of EUR 1 each and an issue premium of EUR 428,000 thousand (EUR 214 per share).

Acerinox, S.A. recognized an increase in its investments in Group companies amounting to EUR 430,000 thousand, equivalent to the fair value of the capitalized credit, which did not differ significantly from its carrying amount at that date.

Roldán

In a meeting held in November 2025, the Board of Directors of Acerinox, S.A. approved a capital increase with share premium through the compensation of the credit right owned by Acerinox, S.A., majority shareholder of the Group company Roldan, S.A. As there are minority shareholders (representing 0.23% of the voting rights), an extraordinary shareholders' meeting was called on December 3. This Extraordinary Shareholders' Meeting of the Company was held on January 8, 2026 and approved the capital increase for a total of EUR 55,000 thousand, of which EUR 1,022 thousand corresponds to the par value of the new shares and EUR 53,978 thousand to the share premium. The capital increase was fully subscribed by Acerinox, S.A. with no preemptive subscription rights. On January 14, the aforementioned increase was notarized.

Due to the date on which the Meeting was held, this increase has not been recorded in this fiscal year.

Inoxfil

On December 22 of this year, Roldan, S.A., a Group company and sole shareholder, carried out a capital increase in Inoxfil, S.A.U. with a share premium for a total of EUR 8,200 thousand. The capital increase, fully subscribed by Roldan, S.A., was carried out by issuing 237,530 shares with a par value of EUR 4.21 each and a total issue premium of EUR 7,200 thousand (EUR 30.31 per share). This capital increase will allow Inoxfil to have greater liquidity to meet payments to its sole shareholder and main supplier. Roldan is Inoxfil's main supplier, as it provides the wire rod necessary for the manufacture of wire.

Roldan, S.A. has recognized an increase in its investments in Group companies amounting to EUR 8,200 thousand, equivalent to the fair value of the consideration given.

In the previous year, a non-cash capital increase was carried out with a share premium by offsetting receivables amounting to EUR 10,297 thousand corresponding to invoices pending payment by Inoxfil to its parent company, Roldán, S.A.

The capital increase was carried out by issuing 44,649 shares with a par value of EUR 4.21 each (EUR 188 thousand) and an issue premium of EUR 10,109 thousand (EUR 226.42 per share).

Inoxplate

During this year, as in 2024, the Group company Inoxplate, Lda, based in Portugal and wholly owned by the Portuguese company Acerol, Ltda, made a repayment of additional contributions to its parent company in the amount of EUR 700 thousand (2024: EUR 500 thousand).

With respect to 2024, in addition to those already mentioned in previous sections, we would have the following:

Bahru Stainless

In accordance with the sale and purchase agreement signed with Worldwide Stainless and as explained in **Note 6.2,** the agreement established a transfer of shares, on a cash-free, debt-free basis, which meant that Acerinox, S.A. had to settle all debts both with credit institutions and third parties. For this purpose, it was necessary to carry out two capital increases in USD equivalent to EUR 155,692 thousand.

Acerinox, S.A. recognized an increase in its investments in Group companies for the same amount equivalent to the fair value of the consideration given.

Acerinox Colombia, S.A.S.

Acerinox Colombia is a commercial office of the Group in Colombia. The activity of this company is not material for the Group. This company receives commissions on sales made in that country. In August last year, a capital increase of EUR 400 thousand was carried out in this company. The increase was made partly by means of a cash contribution of EUR 229 thousand and partly by offsetting loans granted. The equity of this company at the end of the year amounted to EUR 202 thousand.

Corporación Acerinox Perú, S.A.C.

This is a commercial office of the Group in Peru. This company receives commissions on sales made in that country. In October last year, a capital increase of EUR 480 thousand was carried out. The increase was made partly by means of a cash contribution of EUR 173 thousand and partly by offsetting loans granted (EUR 307 thousand). The equity of this company at the end of the year amounted to EUR 212 thousand.

NOTE 7 – SEGMENT REPORTING

The Group is organized internally by operating segments, the strategic business units, which are made up of different products and services that are managed separately, so that Group Management reviews internal reports for each of these segments at least monthly. The Group's operating segments also have separate Management.

The operating segments presented by the Group, associated with the types of products it sells, are as follows:

- Stainless steels: includes both flat and long stainless steel products, as well as the production and sale of carbon steel in South Africa, which is not significant in the Group's figures as a whole.

- High-performance alloys: special alloys with high nickel content. This segment includes all the companies both in the VDM Metals subgroup as well as Haynes.

Segment results, assets and liabilities include all items directly or indirectly attributable to a segment. There are no significant assets used jointly.

Last year, the Group, through its US subsidiary North American Stainless, acquired 100% of the shares of Haynes International, a group dedicated to the manufacture of high-performance alloys. This acquisition enables the Group to expand its activities in the alloys segment as well as in the United States. With regard to comparative information, due to the acquisition of the Haynes Group in November, it should be noted that only one month of the Group's activity was included in the consolidated income statement, compared to 12 months this year.

The "unallocated" segment includes the activities of the holding company that cannot be allocated to any of the specific operating segments. As described in **Note 1**, the main activity of the holding company, the parent company of the Acerinox Group, is to approve and oversee the strategic businesses. It also provides a range of corporate and advisory services in various areas and manages and administers the Group's financing, which is centralized through Acerinox, S.A.

The result of the "unallocated" segment reflects hardly any revenues as these, in the parent company, are always with Group companies and have therefore been eliminated in the consolidation process. The financial costs of this segment are the highest, due to the centralization of a large portion of the Group's financing in Acerinox, S.A.

Revenue and all items reflected in the income statement by segment are presented on a consolidated basis, i.e. after eliminating income and expenses from Group companies, except for sales between segments, which are reflected separately.

Inter-segment transfers and transactions are performed on an arm's length basis, under commercial terms and conditions that would be available for unrelated third parties.

A segment's performance is measured on the basis of its gross profit from operations and net pretax income. The Group considers that this information is the most relevant when assessing the performance of the segment in relation to other comparables in the industry.

7.1 Operational segments

Segment results for the year ended December 31, 2025 are as follows:

(Amounts in thousands of euros)

	2025				
	Stainless steel	High-performance alloys	Unallocated	Adjustments	Total
Income statement					
Revenue	4,143,772	1,705,161	4,568	-2,180	5,851,321
Inter-segment sales		-2,180		2,180	0
Total revenue	**4,143,772**	**1,702,981**	**4,568**	**0**	**5,851,321**
Gross profit from operations	264,257	134,459	-50,068		348,648
Depreciation and amortization charge	-117,295	-76,891	-1,286		-195,472
Impairment losses					0
Finance income	35,657	3,828	2,429		41,914
Finance costs	-28,528	-20,351	-44,548		-93,427
Exchange differences	513	-3,483	-8,792		-11,762
Impairment and loss on disposal of financial instruments	-100				-100
Pretax income	**154,504**	**37,562**	**-102,265**	**0**	**89,801**
Income tax	-124,220	-8,333	-11,465		-144,018
Consolidated profit (loss) for the year	**30,284**	**29,229**	**-113,730**	**0**	**-54,217**
Attributable to:					
Non-controlling interests	-14,143				-14,143
Net income (loss) attributable to the Group	**44,427**	**29,229**	**-113,730**	**0**	**-40,074**
Statement of financial position					
Segment assets	3,690,052	1,824,758	105,328		5,620,138
Investments accounted for using the equity method		390			390
Total consolidated assets	**3,690,052**	**1,825,148**	**105,328**	**0**	**5,620,528**
Segment liabilities	1,020,682	759,380	1,742,833		3,522,895
Total consolidated liabilities (excluding equity)	**1,020,682**	**759,380**	**1,742,833**	**0**	**3,522,895**
Property, plant and equipment	1,306,319	589,513	11,514	0	1,907,346
Investments in non-current assets	217,198	100,063	1,781	0	319,042

Unallocated liabilities essentially comprise the financial debt, which is mainly centralized in the parent company.

The data for 2024 are as follows:

(Amounts in thousands of euros)

	2024				
	Stainless steel	High-performance alloys	Unallocated	Adjustments	Total
Income statement					
Revenue	4,102,058	1,347,937	2,558	-1,286	5,451,267
Inter-segment sales		-1,286		1,286	
Total revenue	**4,102,058**	**1,346,651**	**2,558**	**0**	**5,451,267**
Gross profit from operations	451,074	117,422	-63,569		504,927
Depreciation and amortization charge	-122,412	-36,348	-1,150		-159,910
Impairment losses	3,086				3,086
Finance income	86,965	905	3,735		91,605
Finance costs	-43,136	-23,469	-42,529		-109,134
Exchange differences	-936	9,754	2,210		11,028
Pretax income	**374,641**	**68,264**	**-101,303**	**0**	**341,602**
Income tax	-109,449	-23,234	5,728		-126,955
Consolidated profit (loss) for the year	**265,192**	**45,030**	**-95,575**	**0**	**214,647**
Attributable to:					
Non-controlling interests	-10,299				-10,299
Net income (loss) attributable to the Group	**275,491**	**45,030**	**-95,575**	**0**	**224,946**
Statement of financial position					
Segment assets	4,212,498	2,044,735	211,696		6,468,929
Investments accounted for using the equity method		390			390
Total consolidated assets	**4,212,498**	**2,045,125**	**211,696**	**0**	**6,469,319**
Segment liabilities	1,141,043	936,350	1,816,855		3,894,248
Unallocated liabilities					
Total consolidated liabilities (excluding equity)	**1,141,043**	**936,350**	**1,816,855**	**0**	**3,894,248**
Property, plant and equipment	1,280,024	594,393	10,282		1,884,699
Investments in non-current assets	169,891	40,227	794		210,912

There are no significant items that have not been reflected in cash flows other than depreciation and amortization and impairment.

7.2 Geographical segments

Revenue from geographical segments is presented on the basis of customer location. Segment assets are determined by the geographical location of those assets.

The Group does not analyze the profitability of the different geographic areas in its business management and therefore does not consider this segment as an operating segment.

The data relating to geographical segments in 2025 is presented below:

(Amounts in thousands of euros)

	2025						
	Spain	Rest of Europe	America	Africa	Asia	Other	Total
Revenue by destination of goods	386,348	1,724,452	3,101,893	235,737	325,655	6,428	**5,780,513**
Segment assets	1,041,693	1,234,855	2,815,182	412,204	111,288	5,306	**5,620,528**
Property, plant and equipment	447,037	312,285	978,260	138,481	6,153	39	**1,882,255**
Investment property	150	9,025			15,916		**25,091**
Investments in non-current assets	40,174	66,146	194,530	18,172	20		**319,042**

The data for 2024 are as follows:

(Amounts in thousands of euros)

	2024						
	Spain	Rest of Europe	America	Africa	Asia	Other	Total
Revenue by destination of goods	328,206	1,597,160	2,837,610	290,818	351,211	8,123	**5,413,128**
Segment assets	1,367,797	1,363,408	3,187,534	409,498	135,732	5,350	**6,469,319**
Property, plant and equipment	447,872	283,225	985,839	134,854	792	51	**1,852,633**
Investment property	153	9,268			22,646		**32,067**
Investments in non-current assets	34,057	38,114	111,106	27,364	270		**210,912**

The Group sells its products in about 80 countries across the five continents. The Group's sales in each of the following countries exceeded 5% of total consolidated sales in 2025: the United States 43.45%, Germany 10.31%, and Spain 6.68%. The Group's sales in each of the following countries exceeded 5% of total consolidated sales in 2024: the United States 39.36%, Germany 11.40%, Canada 6.26%, Spain 6.06%, Mexico 5.73%, and South Africa 5.25%. These sales also include the sales of the high-performance alloys segment.

No single transaction with an external customer exceeded 10% of the Consolidated Group's total revenue for 2025 or 2024.

NOTE 8 – INTANGIBLE ASSETS

The detail of the main classes of intangible assets and of the changes therein is as follows:

(Amounts in thousands of euros)

COST	Development expenses	Industrial property	Computer applications and others	Customer relationships	Trademarks	SUBTOTAL	Goodwill (*)
Balance as of December 31, 2023	**19,630**	**32,265**	**55,917**	**29,200**		**137,012**	**118,953**
Business combinations		35,615		39,465	22,139	97,219	128,282
Acquisitions	1,520	176	1,944			3,640	
Liquidation through sale			-1,403			-1,403	
Disposals		-35	-568			-603	
Translation differences			241			241	
Balance as of December 31, 2024	**21,150**	**68,021**	**56,131**	**68,665**	**22,139**	**236,106**	**247,235**
Acquisitions	1,866	51	2,959			4,876	
Transfers				1,352		1,352	
Disposals	-216	-34	-1,409			-1,659	
Translation differences		-4,125	-184	-4,728	-2,564	-11,601	-14,860
Balance as of December 31, 2025	**22,800**	**63,913**	**57,497**	**65,289**	**19,574**	**229,073**	**232,375**

ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSS	Development expenses	Industrial property	Computer applications and others	Customer relationships	Trademarks	SUBTOTAL	Goodwill
Balance as of December 31, 2023	**10,393**	**26,977**	**50,840**	**7,463**		**95,673**	**-67,889**
Allocation	990	555	2,159	1,957		5,661	
Liquidation through sale			-1,403			-1,403	
Disposals		-35	-434			-469	
Translation differences			209	2		211	
Balance as of December 31, 2024	**11,383**	**27,497**	**51,371**	**9,422**		**99,673**	**-67,889**
Allocation	990	2,929	2,020	4,689	1,477	12,105	
Transfers			-35	1,352		1,317	
Disposals		-34	-1,393			-1,427	
Translation differences		-102	-114	-279	-63	-558	
Balance as of December 31, 2025	**12,373**	**30,290**	**51,849**	**15,184**	**1,414**	**111,110**	**-67,889**

NET VALUE	Development expenses	Industrial property	Computer applications and others	Customer relationships	Trademarks	SUBTOTAL	Goodwill
Cost as of December 31, 2023	19,630	32,265	55,917	29,200		137,012	118,953
Accumulated amortization and impairment losses	-10,393	-26,977	-50,840	-7,463		-95,673	-67,889
Carrying amount as of December 31, 2023	**9,237**	**5,288**	**5,077**	**21,737**		**41,339**	**51,064**
Cost as of December 31, 2024	21,150	68,021	56,131	68,665	22,139	236,106	247,235
Accumulated amortization and impairment losses	-11,383	-27,497	-51,371	-9,422		-99,673	-67,889
Carrying amount as of December 31, 2024	**9,767**	**40,524**	**4,760**	**59,243**	**22,139**	**136,433**	**179,346**
Cost as of December 31, 2025	22,800	63,913	57,497	65,289	19,574	229,073	232,375
Accumulated amortization and impairment losses	-12,373	-30,290	-51,849	-15,184	-1,414	-111,110	-67,889
Carrying amount as of December 31, 2025	**10,427**	**33,623**	**5,648**	**50,105**	**18,160**	**117,963**	**164,486**

(*) 2024 figures (business combination) restated due to the provisional closing of the goodwill valuation under IFRS-3 (See Note 6.1).

The amortization charge for the year is included under "depreciation and amortization charge" in the consolidated income statement.

At December 31, 2025, the Group has entered into agreements to acquire intangible assets amounting to EUR 1,343 thousand (2024: EUR 2,475 thousand).

Research and development expenses, patents and trademarks

Due to the nature of its activity and as stated in its mission, the Acerinox Group considers research, development and innovation to be strategic in nature. R&D&I projects are focused on three main areas: development of new products, improving processes to further improve quality, productivity and costs, and adapting processes to new technologies and sustainability through projects that contribute to the circular economy, decarbonization and waste recycling. Throughout 2025, Acerinox continued to develop new and enhanced value-added products, supported by more sustainable production pathways. Acerinox launched EcoACX® in 2024 as a direct response to industry demand for low-carbon solutions, enabling its customers to reduce their own Scope 3 emissions. During fiscal year 2025, the Company stepped up its communication efforts and commercial rollout. With the high-performance alloys division of VDM Metals and Haynes, efforts are integrated to leverage the available resources together in line with the company's overall purpose and strategy of fostering sustainable innovation and providing comprehensive solutions to its customers. The high-performance alloys division is a leader in R&D&I and patent creation, and focuses its R&D&I activities mainly on the development of tailor-made products in collaboration with its customers. This includes the development of new materials, as well as the identification of alloys with high performance potential and the optimization of key properties that can be classified for other applications. Most of the projects are carried out in collaboration with customers and research institutes which take part in the projects. The Group is working on the creation of joint work structures and more agile and flexible processes. Collaboration among the Group's R&D units—structured around expert clusters—fosters agility and cross-fertilization of ideas, enabling the rapid alignment of strategic and short-term R&D initiatives with evolving market needs, including emerging technologies such as carbon and hydrogen, and the expansion of the portfolio by leveraging the Group's capabilities.

The high-performance alloys division holds 77 patents following the merger of these two business groups (56 VDM and 19 Haynes). In the case of Haynes, the company has an approximate total of 19 published US patents and applications and approximately 237 foreign patents and counterpart applications targeted at countries with significant or potential markets for the patented products. Patents or other proprietary rights are an important element of the company's business. The company's strategy is to file patent applications in the United States and any other country that represents a significant commercial market. In addition, the company seeks to protect technology that is important to the development of its business. The company also relies on trade secret rights to protect its technologies and its development of new processes, applications and alloys. Trademarks have also been applied for or granted over the names of many of the company's alloys in the United States and some foreign countries. Haynes' purchase price allocation exercise determined a value for the technology and patents of EUR 35,615 thousand and EUR 22,139 thousand for the trademarks.

Certain research and development expenses incurred by the Group do not meet the criteria for capitalization and are therefore expensed as incurred, according to their nature. The total research, development and technological innovation (R&D&I) expenses recorded directly as expenses for the year and charged to the Group's income statement stood at EUR 25,534 thousand (2024: EUR 18,357 thousand).

The high-performance alloys division does, however, capitalize costs relating to certain R&D&I projects in which the research findings are used to produce new products and processes, or to significantly improve existing products and processes, provided that the product or process proves to be technically and commercially feasible, the Group has the resources required to complete the development program and it is considered that they will generate future cash flows that will enable their recovery. The total R&D&I expenditure capitalized in the year amounts to EUR 1,866 thousand, relating to 8 projects (2024: EUR 1,520 thousand, relating to 12 projects). The Group has 55 employees working on 182 R&D&I projects.

Customer relationships

This asset arose from the acquisition of both VDM and Haynes. The allocation of the acquisition price to the net assets and liabilities identified led to the identification of new intangible assets, arising from the valuation of the customer relationships, which had not been recognized for accounting purposes in the individual Financial Statements prior to such acquisitions. The multi-period excess earnings method was used for the valuation of this intangible asset.

In accordance with applicable regulations, the Group recognizes customer relationships as one of the most important intangible assets resulting from a business combination. Both assets were valued jointly in the acquisition price allocation process. The net book value totaled EUR 65,289 thousand at December 31, 2025 (December 31, 2024: EUR 68,665 thousand) of which EUR 39,465 thousand was recognized last year with the acquisition of Haynes, as explained in **Note 6.1**.

Goodwill

As a result of the business combination explained in **Note 6.1**, new goodwill in the amount of USD 130,418 thousand was recognized last year, which is added to the goodwill already existing to that date derived from the purchase of the VDM Group.

At December 31, 2025, the goodwill recognized in the balance sheet amounted to EUR 164,486 thousand, of which EUR 49,829 thousand relates to VDM and EUR 128,281 thousand to the acquisition of Haynes last year. As explained in **Note 6.1**, this year, the Group has definitively completed the valuation year at fair value of the net assets acquired and the determination of goodwill, with no significant variations with respect to the values obtained at the close of 2024. The only value adjusted with respect to the provisional values estimated at the end of the last fiscal year was the deferred tax liabilities recognized as a result of the increase in the value of the assets and liabilities recognized, amounting to EUR 2,136 thousand.

At the end of this fiscal year, Haynes' goodwill totaled EUR 113,422 thousand. The variation from its initial value is due to the USD exchange rate because the goodwill is denominated in that currency.

Regarding the allocation of goodwill to Cash Generating Units. In the case of the goodwill arising from the business combination of VDM in the amount of EUR 49,829 thousand, it was attributed to the cash-generating unit (CGU) of the VDM subgroup, which as a whole belongs to the high-performance alloys segment. The cash generated in 2024 from acquiring Haynes was attributed this year, following the provisional closing, to the Haynes subgroup, also belonging to the high-performance alloys segment, as it is expected to benefit from the synergies of the business combination and there is no lower cash-generating unit.

In allocating goodwill, the Group has taken into account the following aspects:

- The CGU must represent the lowest level of the entity managed by the company's Management and on which the entity makes decisions.
- It must not exceed the operating segment recognized for the acquired business.

8.1 Impairment of goodwill

The Group estimates the recoverable amount of goodwill on an annual basis, or more frequently where indications of possible impairment are identified. Accordingly, goodwill is allocated to each of the cash-generating units (CGUs) of the company to which the economic benefits of the business combination synergies are expected to flow. A CGU is defined as each of the Group's subsidiaries. As explained above, in the case of the Haynes International Group and the VDM Metals Group, each of these subgroups is defined as a CGU, as this is the lowest level of cash generation managed by the Company's Management and on which the company makes decisions.

The recoverable amount of a CGU is determined on the basis of the calculation of its value in use.

The value in use calculations use cash flow projections based on financial budgets approved by Management. Cash flows beyond the explicitly budgeted period are extrapolated using the estimated growth rates indicated below. The terminal value is calculated by taking into consideration average amounts calculated on the basis of figures achieved in the past and also in the budgeted period, especially when there are significant approved investments.

The book value of the CGU is calculated by considering intangible assets, property, plant and equipment, and operating working capital (inventories plus customers minus suppliers).

VDM

The goodwill resulting from the acquisition of the VDM Group in 2020, amounting to EUR 49,829 thousand, has been allocated to the cash-generating unit (CGU) of the VDM subgroup, which belongs as a whole to the high-performance alloys segment.

The Group prepares annual budgets considering estimated sales and production volumes based on current capacities, in accordance with existing machinery and equipment, as well as approved investment projects.

This fiscal year, nine-year budgets were proposed to consistently demonstrate, both in investments and their corresponding expected returns, the expansion plans underway and approved by the Board of Directors for VDM Metals, as detailed in Note 9.

The budgets consider the evolution of both future demand and prices by market, contrasted with estimates from independent industry experts, such as SMR (Steel Metals and Market Research). Management determines production costs by taking into account the current situation, the efficiency plans implemented and future price developments. Commodities are estimated at constant prices.

The Group has revised its nine-year estimates to adapt them to new market circumstances, price levels.

The discount rates used are pretax values and reflect specific risks relating to the relevant segments.

With a sales volume exceeding 38.6 thousand metric tons in 2025 (2024: 40.5 thousand metric tons), VDM Metals continued to be the leading global manufacturer of nickel alloys.

In 2025, the high-performance alloys market experienced a markedly weaker year compared to prior periods. The oil and gas sector was inactive due to a lack of new projects, although turnover was even higher than in 2024.

The chemical processing market registered significantly weaker demand. The automotive and electronics sectors remained stable; however, previously strong OLED and fuel cell applications recorded softer demand.

The Group is confident that the flows to perpetuity will materialize, mainly in terms of its use of production capacity and margins, using a perpetuity growth rate (g) of 2% in line with expected long-term inflation for the main markets in which VDM operates.

The key assumptions used to calculate the value in use were as follows:

	2025	2024
Planned EBIT margin (*)	10.0%	9.5%
Weighted average growth rate, g (**)	2.0%	2.0%
Pretax discount rate (***)	11.3%	11.2%
After-tax discount rate (***)	8.5%	8.0%

(*) Five-year budgeted average EBIT margin. EBIT is defined as profit or loss from operations and expressed as a margin or percentage of revenue.
(**) Rate used to extrapolate cash flows beyond the budgeted period.
(***) Discount rate: weighted average cost of capital (WACC).

The discount rate (WACC or weighted average cost of capital) was calculated on the basis of the interest rates of the German sovereign debt (twenty-year treasury bond) as well as the main geographies where VDM sells and a capital structure, market risk premiums and ratios of similar companies.

With respect to the terminal value, adjustments were performed to obtain flows to perpetuity, depreciation and amortization were matched to the investments and changes in working capital were also calculated based on average amounts, deemed consistent in the long term, increased by the growth rate (g).

Another assumption is the price of commodities, particularly nickel, which is set when drawing up the budget. This is extrapolated and remains constant during the period of analysis.

The recorded carrying value of net assets is EUR 824,948 thousand. It consists of goodwill amounting to EUR 49,829 thousand, fixed assets amounting to EUR 325,021 thousand, and the remainder corresponds to working capital (current assets and liabilities).

The impairment test performed at December 31, 2025 reflects a recoverable amount higher than the carrying amount. Consequently, it is not necessary to recognize any impairment losses on goodwill.

To achieve an impairment of the carrying amount, the pretax discount rate (WACC) would have to be increased by 23.3% to 10.5%, while maintaining the growth rate (g). If we were to equal the growth rate (g) to

0, the discount rate (WACC) would have to be reduced by 17.3%. The planned average EBIT margin would have to be reduced by 22.2% to 7.8%, with the other two assumptions remaining unchanged.

Haynes

The goodwill resulting from the acquisition of the Haynes International Group in 2024, amounting to USD 133,271 thousand (EUR 113,422 thousand), has been allocated to the cash-generating unit (CGU) of the Haynes subgroup, which belongs as a whole to the high-performance alloys segment.

The Group prepares annual budgets considering estimated sales and production volumes based on current capacities, in accordance with existing machinery and equipment, as well as approved investment projects.

This year, 5-year budgets have been proposed that take into account the investment announced at the time of the purchase, of approximately USD 200 million, to expand its production platform in the USA. The aim of this investment is to increase capacities and develop synergies with the stainless steel division.

The budgets consider the evolution of both future demand and prices by market, contrasted with estimates from independent industry experts, such as SMR (Steel Metals and Market Research). Management determines production costs by taking into account the current situation, the efficiency plans implemented and future price developments.

The Group has revised its five-year estimates to adapt them to new market circumstances, price levels.

The discount rates used are pretax values and reflect specific risks relating to the relevant segments.

In 2025, the high-performance alloys market experienced a markedly weaker year compared to prior periods. However, the aerospace industry, in which Haynes International has a major presence, showed a positive trend, leading to better results than in 2024. Expected future growth rates in this sector of around 7% allow us to be optimistic about future projections.

The Group is confident that the flows to perpetuity will materialize, mainly in terms of its use of production capacity and margins, using a perpetuity growth rate (g) of 2.4% in line with expected long-term inflation for the main markets in which Haynes operates.

The key assumptions used to calculate the value in use were as follows:

	2025
Planned EBIT margin (*)	12.9%
Weighted average growth rate, g (**)	2.4%
Pretax discount rate (***)	12.8%
After-tax discount rate (***)	9.5%

(*) Five-year budgeted average EBIT margin. EBIT is defined as profit or loss from operations and expressed as a margin or percentage of revenue.
(**) Rate used to extrapolate cash flows beyond the budgeted period.
(***) Discount rate: weighted average cost of capital (WACC).

The discount rate (WACC or weighted average cost of capital) was calculated on the basis of the interest rates of the North American sovereign debt (ten-year treasury bond), as well as the main geographies where Haynes sells, and a capital structure, market risk premiums and ratios of similar companies.

With respect to the terminal value, adjustments were performed to obtain flows to perpetuity, depreciation and amortization were matched to the investments and changes in working capital were also calculated based on average amounts, deemed consistent in the long term, increased by the growth rate (g).

Another assumption is the price of commodities, particularly nickel, which is set when drawing up the budget. This is extrapolated and remains constant during the period of analysis.

The recorded carrying value of net assets is USD 960,084 thousand. It consists of goodwill amounting to USD 133,271 thousand, fixed assets amounting to USD 445,842 thousand, and the remainder corresponds to working capital (current assets and liabilities).

The impairment test performed at December 31, 2025 reflects a recoverable amount higher than the carrying amount. Consequently, it is not necessary to recognize any impairment losses on goodwill.

To achieve an impairment of the carrying amount, the pretax discount rate (WACC) would have to be increased by 3.8% to 9.9%, while maintaining the growth rate (g). The growth rate (g) would need to be reduced by 30.6% to 1.7% to trigger impairment, with all other assumptions unchanged. The planned average EBIT margin would have to be reduced by 4.4% to 12.4%, with the other two assumptions remaining unchanged.

NOTE 9 – PROPERTY, PLANT AND EQUIPMENT

The detail of the various items of property, plant and equipment and of the changes therein in 2025 and 2024 is shown in the following table:

COST	Land and buildings	Plant and machinery	Other items of property, plant and equipment	Property, plant and equipment in the course of construction	TOTAL
Balance as of December 31, 2023	**1,008,565**	**4,707,677**	**200,509**	**125,480**	**6,042,231**
Business combinations	98,771	468,910	2,150	21,132	590,963
Hyperinflation adjustments	457	82	169		708
Additions	2,107	38,718	16,428	150,019	207,272
Decommissioning provision	-7,308				-7,308
Transfers	-6,024	-105,100	7,098	-83,075	-187,101
Liquidation through sale	-158,805	-492,766	-9,414	-387	-661,372
Disposals	-269	-13,011	-2,003	-179	-15,462
Translation differences	32,917	171,161	2,957	4,336	211,371
Balance as of December 31, 2024	**970,411**	**4,775,671**	**217,894**	**217,326**	**6,181,302**
Hyperinflation adjustments	170	30	64		264
Additions	5,860	63,813	12,008	232,485	314,166
Transfers	23,898	59,969	6,828	-90,902	-207
Disposals	-318	-54,291	-8,027	-366	-63,002
Translation differences	-51,530	-287,642	-5,049	-15,510	-359,731
Balance as of December 31, 2025	**948,491**	**4,557,550**	**223,718**	**343,033**	**6,072,792**

ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSS	Land and buildings	Plant and machinery	Other items of property, plant and equipment	Property, plant and equipment in the course of construction	TOTAL
Balance as of December 31, 2023	**595,319**	**3,844,499**	**130,150**	**364**	**4,570,332**
Business combinations	35,622	220,692	631		256,945
Allocation	18,837	120,193	8,022		147,052
Reversal of impairment losses	-3,086				-3,086
Hyperinflation adjustments	294	67	158		519
Transfers		-165,962	6		-165,956
Liquidation through sale	-136,121	-490,089	-9,414	-387	-636,011
Disposals	-213	-8,969	-1,702		-10,884
Translation differences	21,904	145,356	2,476	23	169,759
Balance as of December 31, 2024	**532,556**	**3,665,787**	**130,327**	**0**	**4,328,670**
Business combinations					0
Allocation	20,429	137,519	17,256		175,204
Reversal of impairment losses					0
Hyperinflation adjustments	118	24	60		202
Transfers					0
Liquidation through sale					0
Disposals	-6,181	-49,386	-7,890		-63,457

Translation differences	-29,656	-216,671	-3,755		-250,082
Balance as of December 31, 2025	**517,266**	**3,537,273**	**135,998**	**0**	**4,190,537**

NET VALUE	Land and buildings	Plant and machinery	Other items of property, plant and equipment	Property, plant and equipment in the course of construction	TOTAL
Cost as of December 31, 2023	1,008,565	4,707,677	200,509	125,480	6,042,231
Accumulated amortization and impairment losses	-595,319	-3,844,499	-130,150	-364	-4,570,332
Carrying amount as of December 31, 2023	**413,246**	**863,178**	**70,359**	**125,116**	**1,471,899**
Cost as of December 31, 2024	970,411	4,775,671	217,894	217,326	6,181,302
Accumulated amortization and impairment losses	-532,556	-3,665,787	-130,327		-4,328,670
Carrying amount as of December 31, 2024	**437,855**	**1,109,884**	**87,567**	**217,326**	**1,852,632**
Cost as of December 31, 2025	948,491	4,557,550	223,718	343,033	6,072,792
Accumulated amortization and impairment losses	-517,266	-3,537,273	-135,998		-4,190,537
Carrying amount as of December 31, 2025	**431,225**	**1,020,277**	**87,720**	**343,033**	**1,882,255**

The amortization charge for the year is included under "depreciation and amortization charge" in the consolidated income statement.

The difference between the "depreciation and amortization charge" included in the consolidated income statement and consolidated statement of cash flows and the sum of the amounts charged reflected in the tables relating to property, plant and equipment, intangible assets, investment property and right-of-use assets is mainly due to the hyperinflation adjustments made to all the profit or loss items of the Argentine entity, which, in the case of the depreciation and amortization charge, amount to EUR 16 thousand (2024: EUR 20 thousand).

Any impairment of property, plant and equipment and goodwill is included under a separate, specific heading in the consolidated income statement.

Business combinations

As explained in **Note 6.1**, as a result of acquiring the Haynes Group last year and in application of the business combination standard, the Group estimated the fair value of all the assets and liabilities of the acquired Group. With respect to property, plant and equipment, the fair value estimates made by the independent expert based on the replacement value method less accumulated depreciation, generated a revaluation of fixed assets over the book values of the acquired entity of EUR 192,084 thousand. The amount of property, plant and equipment included in the Group's Financial Statements as a result of the business combination amounted to EUR 334,019 thousand.

Investments

The investments made this year in both property, plant and equipment and intangible assets amounted to EUR 319,042 thousand. These investments include the acquisition and installation of new equipment. These investments are often aimed at improving efficiency and productivity, but they are also strategic, allowing for future growth and focusing on sustainability by reducing energy consumption. The investments in the different plants are as follows: Acerinox Europa EUR 35 million; North American Stainless EUR 160 million (mainly focused on increasing production by 20%); Columbus Stainless EUR 18 million; VDM 65 million (highlighting investments to increase production by 15%); Haynes EUR 35 million (included in the plan to grow in long products and in the aerospace sector); Roldán EUR 5 million; and Inoxfil EUR 247 thousand.

The investments made in 2024 in both property, plant and equipment and intangible assets amounted to EUR 210,912 thousand. These investments include both the acquisition and installation of new equipment and recurrent maintenance expenditure investments. In the case of Acerinox Europa, the total amount of investments (including maintenance) was EUR 27 million, related to improvements and extensions made to several production lines. The investments made by the company North American Stainless amounted to EUR 108 million, of which EUR 74 million corresponded to the investment plan approved at the beginning of this year, and EUR 34 million to recurring investments in maintenance. At Columbus Stainless, investments for the year amounted to EUR 27 million. Finally, VDM invested EUR 37 million in 2024, EUR 8 million corresponding to the approved investment plan and EUR 29 million to recurring maintenance investments.

The main investment projects within the Group are as follows:

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.

The NAS expansion project is in its third year of implementation:

- The expansion phase of the melting shop has been completed and the facility is now fully operational.
- The AP2 annealing and pickling line underwent three major shutdowns in 2025 for the installation of the cooling chamber and shot blasting units.
- Construction of the new cold rolling mill was completed in 2025, with commissioning scheduled for the first quarter of 2026. The first coil is expected to be produced in February.
- Finally, mechanical installation of the Skin-Pass finishing line is nearly complete, with electrical works scheduled for the first quarter of 2026.

Additionally, as part of its expansion plan and integration with Haynes, NAS has the following investment approved and underway:

- Kocks: Long product hot rolling block that will allow the processing of special stainless steels and high-performance alloys at NAS.

VDM Metals expansion plan

Following the EUR 67 million investment in VDM Metals announced in January 2024 to increase sales by 15%, the Group continues to advance in the execution of its strategic plan.

The new powder sprayer project at the Unna facility, dedicated to increase the production of powders for additive manufacturing, has overcome prior administrative delays and received the necessary regulatory approvals. Construction is scheduled to begin in February 2026, with full commissioning expected in the second quarter of 2027.

Welding wire production in Werdohl has been operational since December 2024. At the same facility, the strip capacity expansion was completed on schedule and has been operational since August 2025.

Regarding other investments, the new bar production line in Altena remains on track to begin production in the first quarter of 2026. Finally, installation of the remelting plant in Unna is progressing as planned, with production expected to commence in the third quarter of 2026.

Haynes expansion project

In 2025, Acerinox announced an investment of approximately USD 200 million over the coming years in its new US platform to expand its long products offering and strengthen its position in the aerospace sector, while also generating synergies.

- **VIM**: Regarding Vacuum Induction Melting (VIM) technology, procurement has begun for the long-lead components required for its installation. This type of furnace is essential for producing ultra-high-purity materials, as the melting process takes place in a vacuum chamber that eliminates external contamination and ensures the critical properties required in alloys for highly demanding applications.
- **Rotary forging**: The plant layout design has been finalized, defining the optimal equipment positioning to maximize workflow efficiency. A major milestone in the fabrication of the primary machinery has been reached with the casting of the forging frame. This component forms the structural base of the machine and is engineered to withstand the extremely high pressures required to shape the alloys. With the casting now complete, one of the most critical stages in the manufacturing process has been successfully concluded.

- **Finishing lines**: The selection of the primary equipment for processing high value-added bar products has been completed. The addition of a new bar peeling machine and a straightening machine is essential to ensure dimensional accuracy and product straightness, meeting the stringent quality standards of the aerospace sector.

Liquidation through sale

In relation to the sale of Bahru Stainless carried out the previous year and discussed in **Note 6.2**, the cost of the property, plant, and equipment removed from the balance sheet as a result of this divestment amounted to EUR 661,371 thousand, with the net carrying value being EUR 25,361 thousand.

Property, plant and equipment in the course of construction

The detail of the investments classified under this heading is as follows:

(Amounts in thousands of euros)

	2025	2024
Buildings	47,666	29,944
Plant and machinery	277,800	180,960
Other items of property, plant and equipment	17,567	6,422
TOTAL	**343,033**	**217,326**

Of the total amount recognized under this heading, of note are EUR 20,745 thousand in Acerinox Europa (2024: EUR 27,087 thousand) and EUR 192,355 thousand in the American company North American Stainless, as a result of the investment plan approved in 2023 (2024: EUR 108,109 thousand), EUR 8,385 thousand in Roldan (2024: EUR 5,309 thousand), EUR 19,085 thousand from Columbus (2024: EUR 27,333 thousand) and EUR 59,534 thousand in VDM (2024: EUR 37,290 thousand) and EUR 42,929 thousand in the Haynes Group due to the new investment plans approved at the time of the purchase and which are in progress (2024: EUR 22,919 thousand).

The total amount of transfers carried out from fixed assets in progress this year amounted to EUR 90,901 thousand, which include EUR 21,628 of Acerinox Europa, which mainly correspond to the upgrade of the ZM-6 rolling mill, the implementation of process control on the hot rolling line, and the purchase of a Kirow truck for material handling operations. In the case of North American Stainless the transfers amounted to 40,636 of NAS mainly corresponding to the expansion of the steelworks building, the bridge crane, and the loading dock, among others. EUR 9,590 thousand in Columbus and EUR 14,590 thousand in VDM (2024: EUR 83,074 thousand, among which EUR 18,513 thousand in Acerinox Europa, which mainly correspond to, among others, a refractory building and a crane for the handling of melting shop materials, EUR 42,971 thousand in North American Stainless corresponding among others to a gantry crane, improvements in the hot rolling annealing furnace, EUR 7,681 thousand in VDM and EUR 7,356 thousand in Columbus).

Property, plant and equipment located outside Spain

The detail of the property, plant and equipment, including investment property, located outside Spain is as follows:

(Amounts in thousands of euros)

	2025		2024	
	Cost	Accumulated depreciation	Cost	Accumulated depreciation
Land and buildings	661,586	-336,417	689,942	-349,190
Plant and machinery	3,089,060	-2,330,853	3,302,505	-2,458,355
Other items of property, plant and equipment	162,087	-80,523	158,644	-76,720
Property, plant and equipment in the course of construction	313,903		186,249	
TOTAL	**4,226,636**	**-2,747,793**	**4,337,340**	**-2,884,265**

Changes in estimates

As explained in **Note 3**, the Group periodically reviews estimated useful lives based on the valuations conducted by experts from the appropriate entity.

No useful lives were written down in the Group during this year or last year.

Guarantees

None of the Group's assets had been pledged to secure loans at December 31, 2025 or 2024.

Obligations and commitments

At December 31, 2025, the Group had entered into agreements to acquire new equipment and facilities for EUR 279,861 thousand, among which the following stand out: EUR 71,330 thousand relating to the investments made by North American Stainless, EUR 17,589 thousand are investments contracted by Acerinox Europa, EUR 14,260 thousand corresponding to Columbus, EUR 27,490 thousand to the VDM Group, and EUR 147,549 thousand to the Haynes Group.

At December 31, 2024, the Group had entered into agreements to acquire new equipment and facilities for EUR 194,448 thousand, among which the following stood out: EUR 101,021 thousand relating to the investments made by North American Stainless as a result of the approved investment plan, EUR 17,420 thousand by Acerinox Europa, EUR 27,658 thousand by Columbus, EUR 31,104 thousand to the contracts made by the VDM Group and EUR 16,643 thousand by the Haynes Group.

Capitalization of borrowing costs

The capitalized interest amounted to EUR 345 thousand this year, mainly relating to Columbus Stainless (EUR 208 thousand) and to the Haynes Group (EUR 136 thousand) (2024: EUR 154 thousand related to Columbus and EUR 141 thousand to Haynes). The capitalization rate in 2025 was 7.75% (2024: 7.97%).

Disposals of property, plant and equipment

Losses on the sale or retirement of property, plant and equipment recognized under "other operating income" in the consolidated income statement for 2025 amount to EUR 1,104 thousand (2024: EUR 849 thousand), which mostly correspond to the removal of fixed assets from the Group's warehouses, either because they are obsolete or because they have been used for maintenance work.

The gain on the sale or retirement of property, plant and equipment recorded in the income statement in 2025 under "Other operating income" amounts to EUR 193 thousand (2024: EUR 259 thousand).

Environment

The items of property, plant and equipment, the purpose of which is to minimize environmental impact and protect and improve the environment at December 31, 2025 and 2024 were as follows:

(Amounts in thousands of euros)

Nature and purpose	2025		2024	
	Gross value	Accumulated depreciation	Gross value	Accumulated depreciation
Water treatment	93,509	-79,826	100,099	-86,166
Acid neutralization	50,065	-41,976	53,902	-44,984
Treatment of gaseous emissions	95,283	-77,111	100,635	-93,227
Automatic addition system	3,942	-3,880	8,719	-7,728
Other elements	161,399	-125,018	159,793	-110,592
Total	**404,198**	**-327,811**	**423,148**	**-342,697**

In 2025, the Group received an environmental grant of EUR 15,611 thousand, mostly related to offsetting the costs of indirect greenhouse gas emissions. In 2024, EUR 14,083 thousand were received for the same concept. Both grants were recognized as income in the year under "other operating income".

In 2025, the Group incurred ordinary environmental expenses of EUR 145,903 thousand (2024: EUR 106,231 thousand).

Property, plant and equipment not used in operations

The Group has as property, plant and equipment the assets classified as investment property and explained in **Note 10**.

Other disclosures

There were no legal proceedings, attachments or similar measures that could affect items of property, plant or equipment at December 31, 2025 or 2024.

The Group companies have taken out several insurance policies to cover the risks to which their property, plant and equipment are subject. It is considered that these policies sufficiently cover such risks.

9.1 Impairment losses

As established in IAS 36, and as mentioned in the accounting policies (**Note 2.11**), at each reporting date the Group assesses whether there is any indication that its assets might have become impaired. The value of an asset is impaired when its book value exceeds its recoverable amount.

Property, plant and equipment represent 33% of the Group's total assets. A breakdown by company shows that entities showing signs of impairment represent 29.13% of the Group's total property, plant and equipment:

SUBSIDIARIES / CGUs	2025	2024
ACERINOX EUROPA, S.A.U.	20.19%	20.49%
ROLDAN, S.A.	1.52%	1.56%
INOXFIL, S.A.	0.16%	0.14%
NORTH AMERICAN STAINLESS INC.	34.76%	33.65%
COLUMBUS STAINLESS PTY Ltd.	7.26%	7.16%
VDM METALS GROUP	15.19%	13.75%
HAYNES GROUP	15.72%	17.79%
Other subsidiaries	5.20%	5.46%
TOTAL	**100.00%**	**100.00%**

Individual assets do not generate cash inflows on their own, since the completion of the entire production process is necessary to obtain the finished products that allow cash flows to be obtained through their sale. Therefore, impairment is not estimated on an individual basis but by allocating assets to cash-generating units. In the case of factories, the smallest cash-generating units that can be considered encompass each factory as a whole.

As mentioned in Note 4, the uncertain conditions and challenges, especially in the European stainless-steel markets, have given rise to signs of a negative impacts in the Group's plants. These include Columbus Stainless in South Africa and Acerinox Europa, Roldan and Inoxfil in Spain.

Acerinox Europa, S.A.U.

Acerinox Europa was incorporated in 2011 as a result of the spin-off of the manufacturing activity of Acerinox, S.A., and its main assets are the facilities located in Campo de Gibraltar. The Acerinox Europa factory was the first integral stainless-steel factory in the world. The knowledge and experience gained during its design and execution played a pivotal role in the establishment of other factories within the Group. It is the leading stainless-steel producer in the Spanish market.

The integrated flat product plant has melting shop, hot rolling and cold rolling facilities. Its theoretical installed capacity is one million metric tons in melting shop and 660,000 metric tons in cold rolling. It manufactures flat stainless-steel products in various types of steel, formats, thicknesses and finishes.

Acerinox Europa is strategically located on the Strait of Gibraltar and has access to the Atlantic and the Mediterranean as well as its own seaport. The company supplies flat products all over the world, with a focus

on the European continent, as well as semi-finished products to other plants within the Group's production network, primarily to the Acerinox Group's long products plant in Spain (Roldan).

In light of the market conditions and financial results of recent years, the Group put forward the idea that a new organizational and production model would need to be implemented at the Acerinox Europa factory. But in the year 2024, as part of the collective bargaining agreement negotiations, the factory was shut down for five months due to a strike called by the workers' representatives. This prevented us from carrying out the strategic plans proposed by Management to ensure the plant's viability.

Finally, on July 1, 2024, Acerinox Europa and the Works Council signed the IV Collective Bargaining Agreement for the staff. This agreement, which runs until December 31, 2027, allows for the introduction of the flexibility measures necessary to implement the new business model. The main aim is to recover productivity through greater flexibility and versatility of the workforce, in order to increase production and sales of higher value-added products.

The steel industry in Europe reached a critical turning point in 2025, and 2026 is shaping up to be the key year for either an industrial revival following years of crisis. This revival is not merely a question of market dynamics, but the result of a bet on reindustrialization and strategic autonomy by the European Commission.

In December, the Council of the European Union adopted a negotiating mandate with the European Parliament on the Regulation addressing the adverse effects of global overcapacity on the EU steel market. The new Regulation is designed to replace the existing steel safeguard measure, which is due to expire on June 30, 2026.

The EU Council's mandate retains the main protective elements of the Commission's proposal, specifically a significant reduction in import quotas (capping duty-free import volumes at 18.3 million metric tons per year), representing a 47% reduction compared to the current quotas (55% for stainless steel), and an increase in the out-of-quota tariff to 50%, up from the current 25% safeguard tariff.

This measure is complemented by the CBAM (*Carbon Border Adjustment Mechanism*). Its aim is to ensure that steel (and other products) entering Europe pays the same price for CO_2 emissions as steel manufactured on European soil.

From 2026, importers are required to purchase CBAM certificates, the price of which is linked to the price of emission allowances on the European market (ETS).

The Group expects the European Commission's recent decisions to mark a decisive turning point for the industry. For the first time in recent years, the regulatory framework is aligned with the industrial realities of companies such as Acerinox, which have prioritized operational excellence and sustainability.

The stainless steel market maintained low levels of activity throughout 2025. The expected recovery following the prolonged period of inventory adjustment that began in the second half of 2022 failed to materialize, having driven inventories to all-time lows in Europe in 2024—levels that remained relatively stable throughout the year.

Apparent consumption in Europe increased by approximately 7% in 2025 compared to 2024; however, growth was primarily driven by imports in anticipation of regulatory changes in the European Union ahead of 2026. Imports reached levels close to 25% market share, although the Group expects these levels to fall to 15% once the new trade defense measures come into force.

In this context, Management has requested a valuation by an independent expert (Kroll Advisory, S.L.), who has determined the recoverable amount of the assets based on their value in use, pursuant to IAS 36. The recoverable amount has been calculated using a value-in-use approach, based on an analysis of the Discounted Cash Flow, as detailed below.

The independent expert has performed an asset impairment analysis by reviewing the budgets and scenarios prepared by Management, as well as their future evolution, and has contrasted the model with the historical financial information provided as well as with comparable and other observable variables in the market. The independent expert has also determined the appropriate methodologies to be applied to estimate the recoverable amount as well as calculation of appropriate discount rates, based on analyzing financial data for publicly listed companies engaged in the same or similar lines of business. Finally, the independent expert concluded in his analysis with a recoverable amount of Acerinox Europa.

The Group updated the five-year earnings forecasts based on the new circumstances. These forecasts take into account the budgets approved by the Board, the Company's strategic plan, and the previously discussed tariff measures and CBAM.

Due to the aforementioned context of uncertainty, a three-scenario approach was performed. The main variation is assigned to sales prices due to the potential impact of tariff measures, and each scenario is assigned a probability of occurrence.

In the expected trend of market prices, in order to make a reasonable contrast, external sources of information are used, in particular, the independent consultant CRU (https://www.crugroup.com/), enabling us to evaluate the price level of the stainless steel market and its trend for certain types of the most common steel.

Demand estimates were based on SMR (Steel & Metals Market Research).

For supply prices, forward price curves for both electricity and gas are considered. Forward price curves are estimated based on forward price references set by the OMIP. In this respect, the impact of PPAs is considered neutral for the sensitivity analysis, since the price variations of this index are applied to our average energy cost price.

All other costs take into account increases in consumer price indices.

The exercise carried out by the independent expert includes the calculation of flows in perpetuity at terminal value. To this end, in the terminal year, expected revenues incorporate growth in line with the average CPI expected for Spain according to S&P Global.

As for the terminal year, since depreciation and amortization are equal to investments, the EBITDA margin is considered a key assumption. This year, the independent expert has reduced this margin from 8.8% to 8.6% compared to the previous year, in line with a more conservative long-term view. This EBITDA margin is within the range of observable margins of selected peer companies, and it is consistent with Management's strategic plan.

The main pillars of the scenario proposed by the independent expert are based on the following forecasts:

- Approval of CBAM measures and the impact on imports and prices
- High value-added products.
- Change in the customer base with a focus on the end user.
- Optimization of the stainless steel platform with high-performance alloys in Europe.
- Efficiency in production and process costs within the framework of the initiatives approved in the Beyond Excellence plan and in line with the strategic approaches.

The budgets prepared do not consider future cash flows that are expected to arise from future restructuring or improvements or increases in asset performance and therefore comply with paragraphs 44 and 48 of IAS 36. All the measures established in the strategic plan are achievable in the current state of the assets.

In addition, to determine cash flows the Group takes into account the working capital reduction plans carried out by the company.

To determine the value in use of the assets, both the estimate of future cash flows that the entity expects to obtain from the assets and the discount rate, i.e. the weighted average cost of capital (WACC), were taken in account.

Group Management, given the circumstances in Acerinox Europa in 2024 and 2025, and the current situation of uncertainty in determining future cash flows and EBITDA for the terminal year, considered in the calculation of the value in use, has contemplated a decrease in the forecast margins for both key assumptions (budgeted EBIT margin and EBITDA margin for the terminal year).

The key assumptions used to calculate the value in use were as follows:

	2025	2024
Planned EBIT margin (1)	1.7%	4.5%
EBITDA margin terminal year (2)	8.6%	8.8%
Weighted average growth rate (3)	2.0%	2.0%
Pretax discount rate (4)	11.3%	11.7%
After-tax discount rate (4)	9.0%	9.3%

(1) Five-year budgeted average EBIT margin. EBIT is defined as profit or loss from operations and expressed as a margin or percentage of revenue.
(2) EBITDA defined as operating income + asset impairment + depreciation + amortization + change in current provisions. The margin is expressed as a margin or percentage of revenue.
(3) Rate used to extrapolate cash flows beyond the budgeted period (g).
(4) Discount rate: weighted average cost of capital (WACC).

The discount rates used are pretax values and reflect specific risks relating to the relevant segments. Other significant assumptions such as exchange rates and commodity prices are tied to the most recent values recorded in the pertinent markets.

The discount rate was determined by considering a normalized 20-year German bond as the benchmark. Likewise, a market risk premium for Spain, historical betas, a leverage structure and cost of debt in line with market assumptions have been considered.

Regarding the terminal value, a perpetuity cash flow has been considered, which is expected to remain stable in the long term, increased by the growth rate (g). The growth rate (g) was estimated on the basis of expected long-term inflation.

The recorded carrying value as of December 31, 2025 of net assets is EUR 668,289 thousand. It consists of fixed assets amounting to EUR 385,833 thousand, with the remainder corresponding to working capital (current assets and liabilities).

The impairment test performed at December 31, 2025 reflects a recoverable amount higher than the carrying amount. Consequently, no impairment is recorded.

A sensitivity analysis under different scenarios shows that the discount rate (WACC) would have to be increased by 5.2% to 9.5% to start generating impairment, with the other assumptions remaining unchanged. The growth rate (g) would need to be reduced by 42.5% to 1.2% to trigger impairment, with all other assumptions unchanged.

In order to achieve impairment, the planned average EBIT margin would have to be reduced by 29.3% to an average value of 0.5% during the projected period, with the other two assumptions remaining unchanged. In absolute terms, the average annual EBIT considered in the forecast period, EUR 31,369 thousand, would need to be reduced by EUR 18,357 thousand, down 58.5%, to EUR 13,012 thousand in order to begin to record impairment.

The terminal year EBITDA margin would need to be reduced by 5.5% to 8.1% with all other assumptions remaining unchanged, to start generating impairment.

Sales are not considered as a key assumption because it would imply incorporating a very high volatility factor, given the nature of nickel, our main raw material. The value of this metal is quoted on international financial markets, such as the LME (London Metal Exchange), and historically and recurrently is subject to significant fluctuations not directly related to the actual supply and demand of this metal, with the stainless steel industry being its main source of consumption. In this sense, stainless steel manufacturers pass on the fluctuations of raw materials, especially nickel, using mechanisms such as the alloy surcharge. This mechanism is a component of the final price, calculated specifically with the nickel reference values on the LME.

In short, the EBIT/EBITDA margin have always be considered a key assumption as an indicator of the profitability obtained, beyond the level of sales, which is so heavily influenced by the fluctuations of our main raw material.

Columbus Stainless Pty. Ltd.

Columbus Stainless, Middelburg (South Africa), is the only integrated stainless-steel factory in Africa. It is the main supplier of both the domestic market and the various consumer areas of the continent, in which it is the leader. The Columbus factory, the most technologically advanced in the industry, is equipped with the most efficient machinery and has a considerable competitive advantage due to its location, not just for the distribution of finished goods but also because of its proximity to sources of commodities, particularly ferrochrome.

Columbus manufactures both flat stainless-steel and carbon steel products. In view of the complicated market situation in Europe and Asia, Columbus has also been manufacturing carbon steel for the local market since 2020. Columbus achieved a milestone with the manufacture of carbon steel using technology designed to produce stainless steel. After the closure of one of the local carbon melting shop production plants, part of this market was left unsupplied and had to be covered by imports. Columbus took advantage of this situation to win orders and serve this niche. In this way, the company was able to partially compensate the volatility of the stainless-steel market, reduce its dependence on exports and increase its melting shop production, thereby diluting fixed costs.

The South African stainless steel market recorded negative performance throughout 2025. Business contracted by 12.8% year-on-year. This is due to the increase in imports (up 4.8% in 2024 and up to 26% in 2025) as a result of the global tariff crisis and barriers imposed on certain countries. Additionally, pressure from imports resulted in a decline in Columbus's market share. Key end-use sectors underperformed compared to the prior year, reflecting weaker demand from both distributors and the automotive industry.

Columbus remains active and committed to increasing sales through new stainless steel and carbon steel applications, as well as lobbying for corrective trade measures against unfair imports.

In this context, Management has requested a valuation by an independent expert (Kroll Advisory, S.L.), who has determined the recoverable amount of the assets based on their value in use, pursuant to IAS 36. The recoverable amount has been calculated using a value-in-use approach, based on an analysis of the Discounted Cash Flow, as detailed below.

The independent expert has performed an asset impairment analysis by reviewing the budgets and scenarios prepared by Management, as well as their future evolution, and has contrasted the model with the historical financial information provided as well as with comparable and other observable variables in the market. The independent expert has also determined the appropriate methodologies to be applied to estimate the recoverable amount as well as calculation of appropriate discount rates, based on analyzing financial data for publicly listed companies engaged in the same or similar lines of business. Finally, the independent expert concluded in his analysis with a recoverable amount of Columbus Stainless.

With respect to the five-year budgets, the estimated sales and production volumes are based on current capacities using existing machines and equipment, and take into account the evolution of both future demand and prices, associated with its product mix and estimated and published by specialized magazines and independent industry experts. Management determines production costs by taking into account the current situation, the efficiency plans implemented and future price developments.

Demand estimates were based on SMR (Steel & Metals Market Research).

Other variables used in the budgeting process, such as exchange rates and commodity prices are tied to the most recent values recorded in the pertinent markets. The Group is confident that the flows to perpetuity will materialize, mainly in terms of its use of production capacity and margins. They were calculated using growth rates estimated on the basis of the expected long-term inflation rate.

The discount rates used are pretax values and reflect specific risks relating to the relevant segments.

The Group is confident that the flows to perpetuity will materialize, mainly in terms of its use of production capacity and margins. They were calculated using growth rates estimated on the basis of the expected long-term inflation rate.

The key assumptions used to calculate the value in use were as follows:

	2025	2024
Planned EBIT margin (*)	4.2%	5.9%
Weighted average growth rate (**)	2.8%	4.4%
Pretax discount rate (***)	15.7%	17.2%
After-tax discount rate (***)	12.3%	13.5%

(*) Five-year budgeted average EBIT margin. EBIT is defined as operating income and expressed as a margin or percentage of revenue.

(**) Rate used to extrapolate cash flows beyond the budgeted period (g).
(***) Discount rate: weighted average cost of capital (WACC).

The discount rate (WACC or weighted average cost of capital) was calculated on the basis of the South Africa country risk and the main markets where it is active, and a capital structure, market risk premiums and ratios of similar companies. The reference currency in this connection was the South African rand, since all the cash flows are estimated in this currency.

Regarding the terminal value, a perpetuity cash flow has been considered, which is expected to remain stable in the long term, increased by the growth rate (g). The growth rate (g) was estimated on the basis of expected long-term inflation.

Other assumptions are the ZAR/EUR exchange rate (ZAR/EUR 20.31) and the price of raw materials (USD 15,000/t), which are established when drawing up the budget. Both are extrapolated and kept constant during the period of analysis.

The recorded carrying value of net assets is ZAR 4,464 million. It consists of fixed assets amounting to ZAR 2,704 million with the remainder corresponding to working capital (current assets and liabilities).

The impairment test performed at December 31, 2025 reflects a recoverable amount higher than the carrying amount. Consequently, no impairment is recorded.

However, a sensitivity analysis has been carried out, which concludes that the discount rate (WACC) would have to be increased by 10.6% to 14%, and the perpetual growth rate (g) would have to be equal to zero to start generating impairment. The budgeted average EBIT margin would have to become negative to start generating impairment, given that the terminal value is higher than the recorded carrying value of net assets.

As previously explained, we do not consider sales as a key assumption because it would imply incorporating a very high volatility factor, given the nature of nickel, our main raw material. The value of this metal is quoted on international financial markets, such as the LME (London Metal Exchange), and historically and recurrently is subject to significant fluctuations not directly related to the actual supply and demand of this metal, with the stainless steel industry being its main source of consumption. In this sense, stainless steel manufacturers pass on the fluctuations of raw materials, especially nickel, using mechanisms such as the alloy surcharge. This mechanism is a component of the final price, calculated specifically with the nickel reference values on the LME.

In short, we have always considered the EBIT margin a key assumption as an indicator of the profitability obtained, and not of the level of sales, which is so heavily influenced by the fluctuations of our main raw material.

Roldán, S.A.

Roldán is the eldest industrial facility of the Acerinox Group and one of the three manufacture plants for long product production. Roldan is located in Ponferrada (Leon, Spain) and produces angles, bars and wire rod in various types of steel and finishes. Part of its production is sent to Inoxfil, located in Igualada (Barcelona, Spain).

Roldán uses as commodity for the production of long products, the billet supplied by the Acerinox Europa plant in Campo de Gibraltar.

The long product manufactured in this plant is supplied to both the internal market and to international customers, and its stainless steels are present in some of the most iconic international projects.

The import and regulatory situation described in the case of Acerinox Europa also affects the stainless steel long product market and consequently Roldan, S.A. The expected sales volumes have not been reached, which has resulted in its results being below the estimates made at the end of last year. However, there is no reason to believe that the conditions foreseen in the business plans for the future will not be maintained.

The five-year budget and key variables used follow the same guidelines stated for Acerinox Europa, duly contextualized in the stainless-steel long products market.

The recoverable amount of the assets was determined in accordance with their value in use.

To determine the value in use of the assets, the estimate of future cash flows that the entity expects to obtain from the assets and the discount rate, i.e. the weighted average cost of capital (WACC), were taken in account.

The key assumptions used to calculate the value in use were as follows:

	2025	2024
Planned EBIT margin (*)	3.8%	4.3%
Weighted average growth rate, g (**)	2.0%	2.0%
Pretax discount rate (***)	11.4%	12.4%
After-tax discount rate (***)	9.0%	9.3%

(*) Five-year budgeted average EBIT margin. EBIT is defined as profit or loss from operations and expressed as a margin or percentage of revenue.
(**) Rate used to extrapolate cash flows beyond the budgeted period.
(***) Discount rate: weighted average cost of capital (WACC).

At terminal value, the EBIT margin considered is lower than the average of the explicit budgeting period.

The recorded carrying value of net assets is EUR 22,892 thousand. It consists of fixed assets amounting to EUR 28,920 thousand, with the remainder corresponding to working capital (current assets and liabilities).

The impairment test performed at December 31, 2025 reflects a recoverable amount higher than the carrying amount. Consequently, no impairment is recorded.

However, a sensitivity analysis has been carried out, which concludes that the discount rate (WACC) would have to be increased by 74.9% to 15.7%, and the perpetual growth rate (g) would have to be equal to zero to start generating impairment. The planned average EBIT margin would have to be reduced by 45.6% up to 1.1% to start generating impairment.

Inoxfil, S.A.

Inoxfil, S.A. is one of the Group's two long product plants in Spain and engages in the manufacture of stainless-steel wire. Located in Igualada (Barcelona, Spain), this company is 100% owned by the Group company Roldan, S.A. Inoxfil receives wire rod mainly from Roldan, but also from other third-party suppliers, which is used as commodity to complete its production process and obtain wire. This is therefore the final production link in a network starting when Roldan receives the billet from Acerinox Europa, this being the only Group plant with a melting shop in Spain.

The long product manufactured by this plant is supplied both to the domestic market and to international customers.

The import and regulatory situation described in the case of Acerinox Europa also affects the stainless steel long product market and consequently Inoxfil, S.A. The expected sales volumes have not been reached, falling below the estimates made at the end of last year. However, there is no reason to believe that the conditions foreseen in the business plans for the future will not be maintained.

The five-year budget and key variables used follow the same guidelines stated for Acerinox Europa, duly contextualized in the stainless-steel long products market.

The recoverable amount of the assets was determined in accordance with their value in use.

To determine the value in use of the assets, the estimate of future cash flows that the entity expects to obtain from the assets and the discount rate, i.e. the weighted average cost of capital (WACC), were taken in account.

The key assumptions used to calculate the value in use were as follows:

	2025	2024
Planned EBIT margin (*)	1.8%	3.7%
Weighted average growth rate, g (**)	2.0%	2.0%
Pretax discount rate (***)	10.8%	11.6%
After-tax discount rate (***)	9.0%	9.3%

(*) Five-year budgeted average EBIT margin. EBIT is defined as profit or loss from operations and expressed as a margin or percentage of revenue.
(**) Rate used to extrapolate cash flows beyond the budgeted period.
(***) Discount rate: weighted average cost of capital (WACC).

At terminal value, the EBIT margin considered is lower than the average of the explicit budgeting period.

The recorded carrying value of net assets is EUR 10,258 thousand. It consists of fixed assets amounting to EUR 3,057 thousand, with the remainder corresponding to working capital (current assets and liabilities).

The impairment test performed at December 31, 2025 reflects a recoverable amount higher than the carrying amount. Consequently, no impairment is recorded.

However, a sensitivity analysis has been carried out, which concludes that the discount rate (WACC) would have to be increased by 3.6 times to 32%, and the perpetual growth rate (g) would have to be equal to zero to start generating impairment. The budgeted average EBIT margin would have to become negative to start generating impairment, given that the terminal value is higher than the recorded carrying value of net assets.

Impairment analyses conducted in 2024

Last year there were signs of impairment in Columbus, the Group's factory in South Africa, and in Spain, both in Acerinox Europa and in Roldan and Inoxfil.

The impairment tests performed at December 31, 2024 revealed an excess of the recoverable value over the carrying amount. Consequently, no impairment was recorded.

NOTE 10 – INVESTMENT PROPERTY

"Investment property" includes Group-owned land and buildings not occupied by the Group which are held to earn returns, either through rental or through capital appreciation and subsequent disposal of them.

At the end of 2025, as in 2024, the main real estate assets in this category correspond to an industrial building in Italy currently leased to third parties, as well as the land previously owned by Bahru Stainless, which was not built on and which was sold to Cabaran Dunia prior to the transfer by Acerinox of Bahru Stainless to Worldwide Stainless (see **Note 6.1**). These lands are available for sale and at the closing date of these financial statements offers for sale have already been accepted. The Group is currently negotiating the terms of the sale and purchase agreements for a market price similar to the valuations carried out by an independent expert at the time of the sale by Bahru Stainless to the new entity.

The detail of the changes in investment property in 2025 and 2024 is as follows:

(Amounts in thousands of euros)

COST	2025	2024
Opening balance	**35,346**	**12,700**
Additions	1,794	0
Transfers	1	22,646
Translation differences	-2,623	0
Balance as of December 31	**34,518**	**35,346**

ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSS	2025	2024
Opening balance	3,279	3,032
Allocation	901	247
Transfers	5,242	0
Translation differences	5	0
Balance as of December 31	**9,427**	**3,279**

NET VALUE	2025	2024
Cost at December 31	34,518	35,346
Accumulated amortization and impairment losses	-9,427	-3,279
Carrying amount as of December 31	**25,091**	**32,067**

The taxes paid for the transfer of the land owned by Bahru to the new company and which are necessary for the future sale of the land are shown as additions.

Total income from the lease of warehouses amounted to EUR 356 thousand in 2025 (2024: EUR 353 thousand). The associated operating expenses, including repair and maintenance expenses, have fallen to EUR 82 thousand (2024: EUR 59 thousand).

The market value of all the investment property exceeded the carrying amount thereof and amounted to EUR 38,699 thousand at December 31, 2025 (2024: EUR 11,695 thousand). This valuation takes into account observable market variables such as offers and prices per square meter of premises available in the geographical area of the Group's investment property and, therefore, the determination of fair value is classified within the LEVEL 2 hierarchy in accordance with the policy established in **Note 2.12.5.** For the land in Malaysia, the Group requested an independent expert valuation this year.

NOTE 11 – RIGHT-OF-USE ASSETS (LEASES)

The detail of the right-of use assets, measured in accordance with the present value of future lease payments, and of the changes therein this financial year is as follows:

(Amounts in thousands of euros)

COST	Land and buildings	Plant and machinery	Other items of property, plant and equipment	TOTAL
Balance as of December 31, 2023	**14,655**	**9,147**	**8,433**	**32,235**
Business combinations	9,405		1,049	10,454
Additions	591		3,086	3,677
Revaluations			646	646
Transfers			-583	-583
Disposals	-1,232	-871	-1,193	-3,296
Translation differences	41	7	264	312
Balance as of December 31, 2024	**23,460**	**8,283**	**11,702**	**43,445**
Additions	2,206	1,863	3,006	7,075
Revaluations	-125		92	-33
Transfers	-20	20		0
Disposals	-343	-35	-3,532	-3,910
Translation differences	-1,210	-10	-824	-2,044
Balance as of December 31, 2025	**23,968**	**10,121**	**10,444**	**44,533**

ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSS	Land and buildings	Plant and machinery	Other items of property, plant and equipment	TOTAL
Balance as of December 31, 2023	**5,930**	**3,432**	**4,022**	**13,384**
Business combinations	3,726			3,726
Allocation	2,841	1,379	2,760	6,980
Transfers				0
Disposals	-1,228	-871	-1,292	-3,391
Translation differences	17	2	185	204
Balance as of December 31, 2024	**11,286**	**3,942**	**5,675**	**20,903**
Allocation	2,774	1,504	3,174	7,452
Disposals	-146	-35	-2,928	-3,109
Translation differences	-521	-9	-406	-936
Balance as of December 31, 2025	**13,393**	**5,402**	**5,515**	**24,310**

NET VALUE	Land and buildings	Plant and machinery	Other items of property, plant and equipment	TOTAL
Cost as of December 31, 2023	14,655	9,147	8,433	32,235
Accumulated amortization and impairment losses	-5,930	-3,432	-4,022	-13,384
Carrying amount as of December 31, 2023	**8,725**	**5,715**	**4,411**	**18,851**
Cost as of December 31, 2024	23,460	8,283	11,702	43,445
Accumulated amortization and impairment losses	-11,286	-3,942	-5,675	-20,903
Carrying amount as of December 31, 2024	**12,174**	**4,341**	**6,027**	**22,542**
Cost as of December 31, 2025	23,968	10,121	10,444	44,533
Accumulated amortization and impairment losses	-13,393	-5,402	-5,515	-24,310
Carrying amount as of December 31, 2025	**10,575**	**4,719**	**4,929**	**20,223**

The borrowing costs on the lease liabilities recognized by the Group at December 31, 2025 amounted to EUR 510 thousand (2024: EUR 543 thousand). The interest rate used is the interest rate implicit in the lease, or the lessee's incremental borrowing rate if the former is not practicable to determine.

The business combinations line for the previous year includes the amount of the rights of use of Haynes, which joined the Group in 2024.

Lease expenses for low value assets, short-term leases or contracts that do not qualify as leases in accordance with IFRS 16 and which are shown as "operating expenses" in the income statement amount to EUR 18,249 thousand (2024: EUR 16,703 thousand).

The term of the Group's lease agreements and the amount of the payments remaining as of December 31, 2025 are as follows:

(Amounts in thousands of euros)

	2025	2024
	Amount of future payments	Amount of future payments
Up to 1 year	5,557	4,827
1-5 years	11,881	10,182
5-10 years	3,238	1,684
More than 10 years	1,408	1,186
TOTAL	**22,084**	**17,879**

Of the total amount of future lease payments, EUR 5,557 thousand correspond to the short term and EUR 16,527 thousand to the long term (2024: EUR 4,827 thousand corresponding to the short term and EUR 13,052 thousand to the long term).

The amount of the leases exceeding ten years relates mainly to a plot of land that the Group company Inoxcenter, S.L.U. has leased to the consortium of the Barcelona free trade zone, on which the Group has constructed an industrial building owned by it.

At December 31, 2025, the balance of the lease liabilities was EUR 22,084 thousand, most of which were recognized under "other non-current financial liabilities" (2024: EUR 17,879 thousand).

NOTE 12 – INVENTORIES

The detail of "inventories" in the consolidated statement of financial position as at December 31 is as follows:

(Amounts in thousands of euros)

	2025	2024
Commodities and other supplies	402,696	471,374
Products in process	613,327	778,365
Finished products	541,757	672,023
By-products, waste and recoverable materials	120,812	139,798
TOTAL	**1,678,592**	**2,061,560**

The inventory reduction is the result of the ambitious working capital reduction plan launched by the Group as a strategic response to geopolitical uncertainty and weak demand in its main markets. The main goal is to ensure sufficient liquidity to finance the Group's ambitious strategic investment program—including the acquisition of Haynes International and the announced expansion initiatives—while maintaining shareholder returns without compromising balance sheet strength at the bottom of the economic cycle.

In operational terms, the plan involves rigorous management of working capital, particularly focused on inventory control, through a production policy adjusted to real demand, the implementation of a specific study of slow-moving materials for sale or for internal recovery as scrap.

"Commodities and other supplies" includes EUR 45,782 thousand relating to the measurement of the emission allowances held by the Group at 2025 year-end (2024: EUR 56,313 thousand).

The changes in finished goods and work in progress in the year, according to the consolidated statements of financial position as at December 31, 2025 and 2024, shown above, differ from the figures recognized in the respective consolidated statements of profit or loss as a result of translation differences.

The cost of goods sold was calculated in accordance with the policy defined in Note 2.13 and amounted to EUR 5,116 million in 2025 (2024: EUR 4,713 million).

At the close of 2025, the Group recognized an adjustment of EUR 59,614 thousand in order to measure its inventories at net realizable value where this was lower than cost. An adjustment of EUR 57,485 thousand was recognized in 2024.

Obligations and commitments

At December 31, 2025, the Consolidated Group had commitments to purchase commodities amounting to EUR 221,588 thousand (2024: EUR 316,986 thousand). At the same date, there are no firm sales commitments, but there are formalized orders, for which the Group anticipates no circumstances that would prevent their delivery within the agreed deadlines.

The Group does not have any inventories with a cycle exceeding one year and, therefore, no borrowing costs were capitalized in this connection.

The Group companies have taken out several insurance policies to cover the risks to which their inventories are subject. It is considered that these policies sufficiently cover such risks.

12.1 Emission allowances

The Group recognizes emission allowances as inventories.

Group's entities, Acerinox Europa, Roldan and VDM, are included in the EU Emissions Trading System (EU ETS).

Both Acerinox Europa and Roldan cover their consumption needs through the rights they receive via free allocation. This fiscal year, the allocation for these two entities amounted to 116,860 rights.

In the case of VDM, the allocations obtained by VDM free of charge fall short of the plants' requirements, and it is therefore necessary to acquire allowances on the market. The company values the rights acquired at the time of acquisition and recorded in the subsidy account under the "deferred income" caption on the consolidated balance sheet. The Group systematically monitor price changes and take advantage of opportunities to meet its consumption needs. This year, 59,522 allowances, and 30,557 allowances have been allocated free of charge.

The Group currently has sufficient allowances to cover its 2026 needs.

During this year, the Group sold 262,500 rights in the market, resulting in income of EUR 21,185 thousand, recorded under "other operating income" in the income statement for the year.

The changes in emission allowances in 2025 and 2024 were as follows:

	Number of allowances	Value (in thousands of euros)
Balance at 12/31/2023	**1,175,142**	**54,736**
Allocation for the year	182,970	15,034
Acquisitions	47,178	2,778
Sale	-724	-22
Disposals	-291,772	-16,214
Balance at 12/31/2024	**1,112,794**	**56,313**
Allocation for the year	147,417	10,801
Acquisitions	59,522	3,486
Sale	-262,500	-13,142
Disposals	-207,910	-11,676
Balance at 12/31/2025	**849,323**	**45,782**

As shown in the table, the Group has sufficient surplus rights to cover its long-term needs, so no provision needs to be recorded.

263,523 CO_2 emission allowances were used in 2025. These will be surrendered to the public authorities in 2026 (2024: 214,337 allowances surrendered in 2025).

The expense for the year in respect of CO_2 emissions totaled EUR 15,283 thousand in 2025 (2024: EUR 11,979 thousand) and is included under "other operating expenses". This expense is equal to the value allocated to the allowances used in the year, which is the market value of these allowances when allocated.

Disposals for the year related to CO_2 emission allowances used in the previous year audited and approved by an independent expert for its subsequent delivery.

Greenhouse gas emissions are verified each year by an ISO 14064-accredited external body.

This year the average price of CO_2 allowances has remained around EUR 75/allowance, above the EUR 65/allowance average of 2024. As described in the accounting policy of **Note 2.13.1** any increase in the prices of allowances whose allocation has been made for free will be offset by a grant income and will therefore not affect the Group's income statement.

The Group does not hold any futures contracts for the acquisition of emission allowances.

There are no significant contingencies for emission-related fines.

NOTE 13 – FINANCIAL INSTRUMENTS

13.1 General considerations

A financial instrument is a contract that gives rise to a financial asset at one company and, simultaneously, a financial liability or an equity instrument at another. The Group recognizes a financial instrument in its consolidated statement of financial position when it becomes party to the contract or legal transaction.

13.2 Categories of financial assets and liabilities

At year-end the Group's financial assets were as follows:

(Amounts in thousands of euros)

Class	Long-term financial instruments						Short-term financial instruments					
	Equity instruments		Debt securities		Loans, derivatives and other		Equity instruments		Debt securities		Loans, derivatives and other	
Category	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Loans and receivables					27,460	8,574					549,220	692,592
Held-to-maturity investments												
Equity instruments:												
- Valued at fair value through other comprehensive income												
- Valued at cost	282	413										
Assets at fair value through profit or loss						13					4,140	9,811
Hedging derivatives					2,330	4,498					7,557	7,996
TOTAL	**282**	**413**	**0**	**0**	**29,790**	**13,085**	**0**	**0**	**0**	**0**	**560,917**	**710,399**

At year-end the Group's financial liabilities were as follows:

(Amounts in thousands of euros)

Class	Long-term financial instruments						Short-term financial instruments					
	Bank borrowings		Bonds and other marketable securities		Derivatives and others		Bank borrowings		Bonds and other marketable securities		Derivatives and others	
Category	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Financial liabilities at depreciated cost	1,321,519	1,464,314			17,931	21,454	836,970	918,737			852,498	894,519
Liabilities at fair value through profit or loss						71					2,274	4,292
Hedging derivatives					473	2,008					1,310	12,835
TOTAL	**1,321,519**	**1,464,314**	**0**	**0**	**18,404**	**23,533**	**836,970**	**918,737**	**0**	**0**	**856,082**	**911,646**

13.2.1 Financial assets at depreciated cost and other receivables

The detail of the financial assets measured at depreciated cost and other receivables at December 31 is as follows:

(Amounts in thousands of euros)

	2025	2024
Customers	476,236	550,715
Debts with personnel	1,986	2,420
Public Administrations	22,883	24,821
Other debtors	16,069	14,081
Accruals and deferrals	33,820	31,362
Deposits and bonds	69	273
Other financial assets	2,432	73,212
Write-downs of uncollectible debts	-4,275	-4,292
TOTAL	**549,220**	**692,592**

The amount recognized as tax receivables from Public Administrations relates mainly to VAT liquidations.

The amount included in other financial assets in 2024 corresponded to a guarantee issued by a bank, covering 80% of the agreed sale price of Bahru Stainless. This was an account receivable guaranteed by a bank and enforceable on first demand. This guarantee, as explained in Note 6.2, has been collected this year.

As explained in the accounting policies, the Group measures accounts receivable at their transaction price, provided that they do not have a significant financial component, they are expected to be received in the short-term and the effect of not discounting the cash flows is not material. The Group does not have any non-current balances receivable.

Write-downs of uncollectible debts relate in full to trade receivables. The changes therein were as follows:

(Amounts in thousands of euros)

	2025	2024
Opening balance	**4,292**	**4,107**
Allocation	358	553
Application	-174	-42
Reversion	-107	-961
Translation differences	-94	27
Balance as of December 31	**4,275**	**4,292**

Changes in the balance of valuation adjustments are included under "other operating expenses" on the statement of profit and loss.

No interest was earned on impaired financial assets in 2025 or 2024.

No valuation adjustments were recognized for uncollectible receivables from related parties in 2025 or 2024.

At December 31, 2025, certain Group companies had receivables amounting to EUR 227,626 thousand factored on a non-recourse basis to financial institutions in exchange for cash (2024: EUR 240,463 thousand). The factored amounts were derecognized as they met the conditions specified in IFRS 9 regarding the transfer of risks and rewards.

Note 13.2.3 includes a detail of the Group's factoring lines.

13.2.2 Trade and other payables

The detail of "trade and other payables" in the consolidated statements of financial position as at December 31, 2025 and 2024 is as follows:

(Amounts in thousands of euros)

	2025	2024
Suppliers and creditors for services rendered	621,974	671,711
Debts with personnel	79,198	74,085
Suppliers of fixed assets	25,582	23,677
Taxes and Social Security	26,982	30,183
Other creditors	6,586	7,209
Current provisions	14,878	10,361
TOTAL	**775,200**	**817,226**

Most of the amount included under tax and social security payables relates to amounts payable for VAT liquidations and personal income tax withholdings. EUR 4,952 thousand relate to social security payables (2024: EUR 4,585 thousand).

With regard to the average payment period, as established in Law 18/2022 of September 29, 2022, on the establishment and growth of companies, the Group breaks down below the average payment period for suppliers, the volume of money and the number of invoices paid in a period lower than the maximum established in the regulations on late payments, as well as the percentage of these invoices in the total number of invoices and in the total amount of money paid to their suppliers for the Group's Spanish companies included in the scope of consolidation.

The following table includes the average payment period to domestic and foreign suppliers of the Spanish companies that form part of the Acerinox Group, after deducting payments made to Group companies:

Including only suppliers outside the Group	**2025**	**2024**
	Days	**Days**
Average supplier payment period	63 days	67 days
Ratio of operations settled	65 days	66 days
Ratio of transactions pending payment	44 days	72 days
	Amount	**Amount**
Total payments made	1,257,041	1,108,598
Total outstanding payments	133,637	140,333

The information provided includes all suppliers (both domestic and foreign) of the Group's Spanish companies. If we consider only domestic suppliers, since this is a Law applicable in Spain, the average payment period is reduced by 3 days as detailed below:

Domestic only	**2025**	**2024**
	Days	**Days**
Average supplier payment period	60 days	64 days
Ratio of operations settled	61 days	64 days
Ratio of transactions pending payment	49 days	63 days
	Amount	**Amount**
Total payments made	838,001	642,355
Total outstanding payments	89,265	83,725

Last year's figures were affected by the strike at Acerinox Europa, which led to the closure of the plant for 5 months, making it impossible to manage invoices and payments in a timely manner. With the exception of Acerinox Europa, the rest of the Group's Spanish companies all comply with the established payment periods of 60 days.

Details of the volume and number of invoices paid are as follows:

	2025	2024
a) Monetary volume of invoices paid within a period equal to or less than the maximum established in the regulations on late payment	512,492	467,243
Percentage share of total number of invoices of payments to its suppliers	41 %	42 %
b) Number of invoices paid within a period equal to or less than the maximum period established in the late payment regulations	19,064	21,395
Percentage share of total monetary payments to its suppliers	49 %	38 %

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

13.2.3 Bank borrowings

The detail of the financial debt captions in the consolidated balance sheet as of December 31, 2025 and 2024, consists of bank borrowings and is broken down as follows:

(Amounts in thousands of euros)

	Non-current		Current	
	2025	2024	2025	2024
Loans from credit institutions	1,321,519	1,464,314	836,970	918,737
Total non-current debt	**1,321,519**	**1,464,314**	**836,970**	**918,737**

At the end of 2025 and 2024 there were no bonds issued or private placements, only debt with credit institutions.

The detail of the maturity of the outstanding debt at December 31, 2025 was as follows:

(Amounts in thousands of euros)

	2026	2027	2028	2029	2030 and thereafter	TOTAL
Financial debts	836,970	485,573	431,223	338,056	66,667	**2,158,489**
Total financial debt	**836,970**	**485,573**	**431,223**	**338,056**	**66,667**	**2,158,489**

The 2024 figures were as follows:

(Amounts in thousands of euros)

	2025	2026	2027	2028	2029 and thereafter	TOTAL
Financial debts	918,737	389,419	445,587	353,737	275,571	**2,383,051**
Total financial debt	**918,737**	**389,419**	**445,587**	**353,737**	**275,571**	**2,383,051**

The breakdown of the debt by currency is as follows:

(Amounts in thousands of euros)

	Non-current payables		Current liabilities	
	2025	2024	2025	2024
EUR	1,321,519	1,464,314	709,333	775,349
USD			1,879	21,809
ZAR			125,758	121,579
TOTAL	**1,321,519**	**1,464,314**	**836,970**	**918,737**

The breakdown of the debt by interest rate is as follows:

(Amounts in thousands of euros)

	Non-current payables		Current liabilities	
	2025	2024	2025	2024
Fixed	314,686	493,582	234,017	94,771
Variable	1,006,833	970,732	602,953	823,966
TOTAL	**1,321,519**	**1,464,314**	**836,970**	**918,737**

Fixed-rate debt solely includes borrowings originally arranged at fixed rates and does not include borrowings for which interest rates have been fixed by arranging derivatives.

There are swap contracts to hedge the interest rate for EUR 565 million of the variable rate debt (Note 13.2.6).

The fair value of fixed interest rate loans was EUR 548,703 thousand at December 31, 2025, and their book value was EUR 545,570 thousand. The fair value of these borrowings at December 31, 2024 amounted to EUR 578,664 thousand (book value of EUR 588,353 thousand).

For the determination of fair value, the Group has taken into account observable market variables such as interest rate curves, the term of the loans, etc., so the determination of fair value is classified within the LEVEL 2 hierarchy in accordance with the policy established in **Note 2.12.5**.

The interest rates of the floating interest rate loans are reviewed at least once a year.

The weighted average cost of the financing instruments in euros (including interest rate hedges) at the end of 2025 was 2.77% for a total of EUR 2,031 million, 4.98% for USD 2.2 million of financing and 9.43% for ZAR 2,445 million of financing. In 2024, the cost of the loans (including the interest rate hedges) in euros was 2.83% for an amount of EUR 2,240 million, 5.66% for USD 22.7 million and 10.35% for ZAR 2,385 million of financing.

At December 31, 2025, accrued interest payable on loans amounted to EUR 9,188 thousand (2024: EUR 11,421 thousand). In addition, there is no longer any accrued and unpaid interest on the bonds issued as they have been redeemed in 2024.

The total borrowing costs calculated using the effective interest rate on long-term loans at depreciated cost amounted to EUR 1,244 thousand (2024: EUR 1,011 thousand).

At December 31, 2025, the Acerinox Group had arranged bank financing facilities and private placements amounting to EUR 2,905 million (December 31, 2024: EUR 3,049 million), in addition to approved non-recourse factoring facilities amounting to EUR 530 million (December 31, 2024: EUR 530 million). The amount drawn down on financing facilities at December 31, 2025 amounted to EUR 2,158 million (December 31, 2024: EUR 2,383 million) and 228 million on factoring facilities (December 31, 2024: 240 million).

Some Group companies have contracts with financial institutions for the management of payments to suppliers in both euros and dollars. Trade liabilities managed through these contracts are shown under 'Trade and other payables' until they are settled, canceled or expire, since the Group uses them exclusively as a means of payment. Although entities may offer advances to suppliers, the Group does not intervene in these transactions nor does it agree to finance these payments, and pays them strictly when due. Consequently, the average payment period is unaffected by these agreements. Therefore, reverse factoring is not a financing instrument because the payment conditions do not vary and are the same as those explained in **Note 13.2.2**.

As of December 31, 2025, the payment of 25% of the total figure for "suppliers and service payables" was being managed through these contracts (2024 year-end: 30%), amounting to around EUR 160 million throughout the Group (2024 year-end: EUR 210 million). According to the financial institutions, of the total amount of "suppliers and payables for services rendered" that were managed through reverse factoring, almost 60% was advanced by the suppliers (2024 year-end: 80%), amounting to approximately EUR 90 million (2024 year-end: approximately EUR 160 million).

Main financing transactions undertaken in the year

The most significant financing transactions this year were as follows:

- Renewal of the Syndicated Factoring contract in Spain for a total maximum amount of EUR 380 million until 2027.

- Signing of a long-term fixed interest loan for EUR 50 million with Banco Sabadell and two long-term loans at a variable interest rate for a total of EUR 80 million with Cajamar (EUR 50 million) and Unicaja (EUR 30 million).

- In order to ensure continued Group liquidity, the following short-term transactions were carried out:
  - Renewal of eleven credit facilities in euros for a total amount of EUR 525 million.
  - Renewal of six credit facilities in US dollars for a total amount of USD 135 million.

- Renewal of the one-year floating rate loan signed by Acerinox Europa with BBVA for a total amount of EUR 50 million.

- Entering of two new floating rate loans signed by Acerinox Europa for a total amount of EUR 55 million with. Abanca (EUR 35 million) and Caixabank (EUR 20 million).

- Signing of a one-year loan for Energy Savings Certificates by Acerinox Europa with Bankinter in the amount of EUR 1.5 million.

- Following the maturity of various VDM financing facilities during 2025 for a maximum amount of EUR 290 million, VDM has entered into new bilateral financing facilities for a total amount of EUR 300 million, as follows:
  - Execution of two floating rate loans for a total amount of EUR 40 million with: BBVA (EUR 30 million) and CaixaBank (EUR 10 million).
  - Signing of seven credit facilities and Revolving Credit Facility (RCF) for an aggregate maximum of EUR 260 million with: HSBC (EUR 50 million); Santander (EUR 50 million); Caixabank (EUR 40 million); Unicredit (EUR 40 million); Deutsche Bank (EUR 30 million); Helaba (EUR 30 million); and BBVA (EUR 20 million).

In the event of debt renegotiations, the Group assesses the significance of the variations made to determine whether they are substantially different, in accordance with the criteria established in the accounting policy defined in Note 2.12.3, and, where appropriate, determine whether to recognize the effects of certain of the new agreements as an extinguishment and the simultaneous recognition of a new loan. No debt refinancing took place during this year or 2024.

The most noteworthy financing transactions in 2024 were as follows:

- Signing of two long-term fixed interest rate loans for a total amount of EUR 195 million with: EUR 150 million with Banco Sabadell and EUR 45 million with Ibercaja.

- Signing of seven long-term floating rate loans for a total amount of EUR 365 million with: Kutxabank (one of EUR 105 million, of which there are EUR 20 million undrawn at year-end and another of EUR 20 million); Cajamar (EUR 70 million); Caixabank (EUR 50 million, total amount undrawn at year-end); Intesa Sanpaolo (EUR 50 million); Bankinter (EUR 45 million) and Abanca (EUR 25 million).

- Signing of three long-term floating rate loans hedged with interest rate derivatives for a total amount of EUR 245 million: two loans with BBVA for a total amount of EUR 170 million and one loan with Caixabank for a total amount of EUR 75 million.

- In order to ensure Group liquidity, the following short-term transactions were carried out:
  - Renewal of eleven credit facilities in euros for a total amount of EUR 480 million.
  - Renewal of six credit facilities in US dollars for a total amount of USD 135 million.
  - Signing of a USD 20 million credit facility for Bahru Stainless with Caixabank (at the end of December, this policy had expired).

- Renewal of the one-year floating rate loan signed by Acerinox Europa with BBVA for a total amount of EUR 50 million.

- Signing of a variable interest rate loan by VDM for a total amount of EUR 40 million with Intesa Sanpaolo. At year-end, the loan was undrawn

- In addition, VDM extended the maturity of two bilateral financing facilities for an additional year until 2025 with Deutsche Bank and Helaba for a total maximum amount of EUR 80 million.

The Acerinox Group has satisfactorily met the repayment schedules for its borrowings.

The detail of the changes in non-current loans, not including bond issues, is as follows:

(Amounts in thousands of euros)

	Non-current payables		Current liabilities	
	2025	2024	2025	2024
Opening balance	**1,464,314**	**1,291,156**	**918,737**	**767,147**
Business combination		110,764		2
Additions	258,875	775,080	194,212	234,624
Debt repayment	-1,477	-202,609	-676,973	-607,039
Interest at depreciated cost	1,244	1,011	-1,537	1,351
Short-term transfers	-401,437	-511,514	401,438	511,514
Transfers of other financial liabilities		426		
Translation differences and others			1,093	11,138
Balance as of December 31	**1,321,519**	**1,464,314**	**836,970**	**918,737**

The reconciliation of the changes in non-current and current borrowings to the consolidated statement of cash flows is as follows:

- The detail of income from borrowings recognized in the consolidated statement of cash flows is as follows:

(Amounts in thousands of euros)

	2025	2024
Capital grants	114	102
Long-term bank borrowings	258,875	775,080
Short-term bank borrowings	194,212	234,624
Other debts (capital leases)		848
Total income from borrowed funds	**453,201**	**1,010,654**

- The breakdown of the debt repayments recognized in the consolidated statement of cash flows is as follows:

(Amounts in thousands of euros)

	2025	2024
Obligations		-75,000
Long-term bank borrowings	-1,477	-202,609
Short-term bank borrowings	-676,973	-607,039
Other debts (capital leases)	-7,652	-6,488
Total repayment of interest-bearing liabilities	**-686,102**	**-891,136**

Non-current borrowings subject to achievement of ratios

Currently, no loan agreement entered into by the Acerinox Group contains covenants linked to ratios that take into account the Group's results.

Below is a detailed breakdown of loans tied to financial covenants by Group company:

a) Acerinox, S.A.:

As of December 31, 2025, the Company has six financing contracts in force for an outstanding amount of EUR 380 million subject to compliance with a Net Financial Debt to Equity ratio, as well as an additional EUR 50 million contract linked to minimum consolidated equity levels. These operations, which meet market standards, have long-term maturities.

b) Columbus Stainless (PTY) LTD:

Additionally, the Group company Columbus Stainless has structured financing (a Borrowing Base Facility) which is also subject to the achievement of a covenant relating to the maintenance of minimum equity levels at that Company and a maximum level of additional indebtedness. This financing facility is recognized under "bank borrowings" in the consolidated statement of financial position at the amount drawn down. At December 31, 2025, the amount drawn down from this financing amounts to ZAR 2,202 million (around EUR 113 million at the exchange rate of December 31, 2025). At 2024 year-end, the amount drawn down from this financing amounted to ZAR 2,235 million (around EUR 115 million at the exchange rate of December 31, 2024).

c) VDM Group:

Finally, it should be noted that the eleven bilateral financing facilities signed by VDM (both the four long-term loan signed with IKB, Intesa Sanpaolo, BBVA and Caixabank, and the seven financing lines signed with HSBC, Banco Santander, Caixabank, Unicredit, Deutsche Bank, Helaba and BBVA) are subject to the maintenance of minimum equity ratios and a ratio of net financial debt to working capital.

At 2025 year-end (as in 2024), Acerinox, S.A., Columbus Stainless (PTY) Ltd. and the VDM Group had achieved all the covenants required under the aforementioned agreements.

13.2.4 Fair value measurement

As set out in the accounting policies, the Group measures derivative financial instruments at fair value.

Financial instruments recognized at fair value are classified, based on the valuation inputs, in the following hierarchies:/

LEVEL 1: quoted prices in active markets
LEVEL 2: observable market variables other than quoted prices
LEVEL 3: variables not observable in the market

The Group's position at December 31, 2025 and 2024 was as follows:

(Amounts in thousands of euros)

	2025			2024		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
Financial derivatives (assets)		14,027			22,318	
TOTAL	**0**	**14,027**	**0**	**0**	**22,318**	**0**

	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
Financial derivatives (liabilities)		4,057			19,206	
TOTAL	**0**	**4,057**	**0**	**0**	**19,206**	**0**

No financial assets or financial liabilities measured at fair value were transferred between levels.

In the case of Level 2 financial instruments, the Group uses generally accepted valuation techniques that take into account spot and future exchange rates at the measurement date, forward interest rates, interest rate spreads and credit risk of both the Group and its counterparty, i.e. the financial institutions with which it operates. In determining the fair values of commodity future contracts quoted on the LME (London Metal Exchange), the Group takes into account the difference between the future prices quoted on the LME for the commodity at the contracted maturity date and the future price set in each contract.

13.2.5 Financial assets at fair value through other comprehensive income

This section includes the shares that the Group does not intend to sell and that it had designated in this category on initial recognition.

The value of financial assets at fair value through other comprehensive income at year-end amounted to EUR 282 thousand (December 31, 2024: EUR 413 thousand).

The Group has classified in this category its 8.48% minority shareholding in the company Fortia Energía, S.L., whose corporate purpose is the acquisition of electricity on behalf of its shareholders. This investment enables the Group's Spanish factories to obtain more competitive electricity prices. The investment is measured at acquisition cost, as there are insufficient data to measure it at fair value. The Group has no control over this entity. The acquisition cost of the investment was EUR 276 thousand. The Group does not consider that there are any indications of impairment in this connection.

During this year, the amount of the investment in Nimawize Pty Ltd. made at the time in compliance with the requirements established by the "Broad-Based Black Economic Empowerment" (B-BBEE Act 53 of 2023) was derecognized. The amount recognized in the income statement amounts to a loss of EUR 100 thousand.

13.2.6 Derivative financial instruments

As detailed in Note 5, in relation to market risk, the Group is essentially exposed to the following three types of risk in the course of its business activities: foreign currency risk, interest rate risk, and commodity price risk. The Group uses derivative financial instruments to hedge its exposure to certain risks.

The Group classifies derivative financial instruments that do not qualify for hedge accounting in the category of assets and liabilities measured at fair value through profit or loss. Those that qualify as hedging instruments are classified as hedging derivatives and are accounted for by applying the accounting policy defined in Note 2.12.4.

The detail of the derivative financial instruments, classified by category, is as follows:

(Amounts in thousands of euros)

	2025		2024	
	Assets	Liabilities	Assets	Liabilities
Hedging derivatives	9,887	1,783	12,494	14,843
Derivatives at fair value through profit or loss	4,140	2,274	9,824	4,363
TOTAL	**14,027**	**4,057**	**22,318**	**19,206**

The following table provides a breakdown of the Group's derivative financial instruments at December 31, 2025 and 2024 by type of hedged risk:

(Amounts in thousands of euros)

	2025		2024	
	Assets	Liabilities	Assets	Liabilities
Currency forwards	4,140	2,274	9,824	4,363
Interest rate swaps	5,407	1,283	11,947	1,729
Commodity futures contracts	4,480	500	547	13,114
TOTAL	**14,027**	**4,057**	**22,318**	**19,206**

Foreign currency risk

The Group operates in a large number of countries and bills customers in various currencies, depending on the country where it is billing. It therefore arranges certain financial instruments to hedge cash flow risks arising from the settlement of balances in foreign currencies. The transactions arranged consist mainly of foreign currency purchase and sale forward contracts.

The Group uses derivative financial instruments to hedge most of its commercial and financial transactions performed in currencies other than the functional currency of each country.

The Company's business model is to hedge foreign currency risk through the use of derivative financial instruments and there is an economic relationship between the hedged item and the hedging instrument. The Group classifies most of its foreign exchange insurance contracts in the category of financial instruments at fair value through profit or loss.

Using these instruments ensures that any fluctuation in exchange rates that could affect assets or liabilities denominated in foreign currency would be offset by a change of the same amount in the derivative arranged. Changes in the derivative are recognized in the income statement, offsetting any changes that occur in foreign currency monetary items. As these derivatives do not qualify as cash flow hedging instruments for accounting purposes, the revaluation of these derivatives is recorded in the consolidated income statement "revaluation of financial instruments at fair value".

At December 31, 2025, the effect on the income statement of measuring these derivatives at market value was negative, amounting to EUR -2,081 thousand (2024: EUR 8,825 thousand). The negative exchange differences of the Group in the year amounted to EUR -9,681 thousand as a result of the depreciation of the USD (2024: loss of EUR 1,183 thousand). The differences between the two amounts are mainly due to the interest rate differences between the currencies involved in the exchange rate insurance taken out and the differences between the insurance taken out and the monetary items in foreign currency.

The difference between the amount in the income statement in 2024 under "Revaluation of financial instruments at fair value" and the amount in that note relating to exchange rate derivatives is due to the derivatives contracted during the previous year to hedge the price of gas.

At December 31, 2025, all the currency forwards covered mainly receivables (assets) and payables (liabilities) and related to both commercial and financing transactions between Group companies. At December 31, 2025, the fair value of the Group's currency forwards totaled EUR 1,865 thousand (2024: EUR 5,461 thousand), of which EUR 4,140 thousand were recognized under assets (2024: EUR 9,824 thousand) and EUR 2,275 thousand under liabilities (2024: EUR 4,363 thousand). None of those currency forwards were accounted for as hedges at the end of 2025 or 2024. In 2025, EUR -8 thousand were transferred from the consolidated statement of comprehensive income to profit or loss for the year (2024: EUR -98 thousand).

The vast majority of the Group's foreign currency purchase and sale forward contracts have a term of less than one year.

At December 31, 2025, the Group had used contracts for foreign currency transactions amounting to EUR 884 million for foreign currency sales and EUR 85 million for foreign currency purchases. At December 31, 2024, EUR 210 million were used for foreign currency sales and EUR 215 million for foreign currency purchases.

The detail of these foreign currency forward contracts, by currency, is as follows:

(Amounts in thousands)

	2025		2024	
	Assets	Liabilities	Assets	Liabilities
USD	943,001	94,104	91,704	228,107
EUR	2,613	0	22,156	2,126
GBP	21,511	1,820	33,737	2,081
SEK	0			
CAD	0	0	0	
AUD	3,397	5	1,842	173
CNY	4,414	162	6,209	69
NZD	0	0	0	
JPY	4,673,272	175,008	6,781,998	38,984
MYR	110,000	0	110,000	
KRW		0		0

At December 31, 2025 and 2024, there were no loans in currencies other than the functional currency and, therefore, the Group no longer has any derivative financial instruments to hedge exposure to foreign currency risk or interest rate risk.

Interest rate risk

The Group enters into interest rate derivatives to hedge floating rate cash flows from debt instruments. As Acerinox's risk management strategy allows for the exchange of hedging instruments and hedged items to meet corporate financing needs, the Group has documented the effectiveness of hedging through the contracted financial instruments so that they can be qualified for accounting purposes as cash flow hedging instruments through the designation of generic hedging relationships.

The swaps entered into by the Group as at December 31, 2025 were as follows:

	Notional contracted	Amount outstanding	Maturity
From variable to fixed rate	EUR 70 million	EUR 30 million	2028
From variable to fixed rate	EUR 100 million	EUR 10 million	2026
From variable to fixed rate	EUR 80 million	EUR 42 million	2028
From variable to fixed rate	EUR 260 million	EUR 173 million	2027
From variable to fixed rate	EUR 15 million	EUR 15 million	2027
From variable to fixed rate	EUR 50 million	EUR 50 million	2029
From variable to fixed rate	EUR 75 million	EUR 75 million	2029
From variable to fixed rate	EUR 120 million	EUR 120 million	2029
From variable to fixed rate	EUR 50 million	EUR 50 million	2029

The average interest rate of euro-denominated financing hedged by an interest rate hedging derivative, totaling EUR 565 million at year-end, was 2.57% (2024: EUR 646 million at 2.34%). The credit spread on these loans is included in both cases.

By the end of 2025 and 2024 there is no interest rate hedge in a currency other than the euro.

As explained in **Note 5.1.2,** during 2025 the Group contracted a new swap transaction to hedge highly probable future flows pegged to the floating interest rate, as well as any modification thereof that may occur before the maturity date.

The total amount of the interest rate derivative contracted in 2025 with Caixabank amounts to EUR 50 million.

In 2024, as explained in **Note 5.1.2**, the four interest rate derivatives contracted by the Group amounted to EUR 260 million and were divided as follows: two interest rate derivatives signed with BBVA for an initial

amount of EUR 50 million and EUR 120 million; one with Caixabank for an initial amount of EUR 75 million; and one with Banca March for an initial amount of EUR 15 million.

The detail at December 31, 2024 was as follows:

	Notional contracted	Amount outstanding	Maturity
From variable to fixed rate	EUR 70 million	EUR 40 million	2028
From variable to fixed rate	EUR 100 million	EUR 30 million	2026
From variable to fixed rate	EUR 80 million	EUR 56 million	2028
From variable to fixed rate	EUR 260 million	EUR 260 million	2027
From variable to fixed rate	EUR 15 million	EUR 15 million	2027
From variable to fixed rate	EUR 50 million	EUR 50 million	2029
From variable to fixed rate	EUR 75 million	EUR 75 million	2029
From variable to fixed rate	EUR 120 million	EUR 120 million	2029

The fair value of the interest rate swaps was based on the market value of equivalent derivative financial instruments at the reporting date and amounted to EUR 4,124 thousand (December 31, 2024: EUR 10,218 thousand). These amounts are recognized in the Group's consolidated statement of financial position under the following line items:

	2025		2024	
	Current	Non-current	Current	Non-current
Other financial assets	3,090	2,317	7,449	4,498
Other financial liabilities	810	473	270	1,459

The Group assesses whether outstanding hedging relationships meet the effectiveness requirements both at the date of designation and at year-end. At December 31, 2025 and 2024, all outstanding interest rate derivatives arranged qualified as cash flow hedging instruments and, therefore, the unrealized gains and losses of EUR 1,335 thousand on their measurement at fair value were recognized in the consolidated statement of comprehensive income (2024: EUR -3,821 thousand). The Group has documented the effectiveness of the derivatives arranged to be recognized as hedging instruments, as detailed in **Note 2.12.4**. The financial instruments considered to be hedges were not ineffective at any point in 2025 or 2024.

In 2025, EUR -5,462 thousand were transferred from the consolidated statement of comprehensive income to profit or loss for the year, reducing borrowing costs (2024: EUR -13,231 thousand). Combined with the EUR -8 thousand arising from the foreign currency hedges referred to in the previous section and the EUR 12,019 thousand from the commodity derivatives, the amount totaled EUR 6,549 thousand and was included in the consolidated statement of comprehensive income. In 2024, the transfer amount from comprehensive income related to interest rate hedges would need to include EUR -98 thousand from currency hedges and EUR 6,244 thousand from commodity derivatives. This totals EUR -7,085 thousand in the consolidated statement of comprehensive income for 2024.

Risk of changes in commodity prices

As detailed in **Note 5.1.3**, high-performance alloys have a high metal content and are mainly composed of nickel, but they also contain other metals that are listed on the London Metal Exchange (LME). The Group, and mainly this division within it, is exposed to the risk of commodity price volatility, since it is unable to pass these fluctuations on to the customers through the selling price. For this reason, it uses derivative financial instruments to guarantee set prices for its customers and ensure that those prices are aligned with its costs,

thus maintaining margins. The financial instruments used are based on arranging futures contracts on the prices listed on the LME.

As explained in the note on commodity risks, Haynes negotiates a price component based on commodity prices with most of its customers, which allows it to transfer part of the risk, meaning it does not have to insure this risk by contracting derivatives.

The Group documents the hedging relationships and has a model that guarantees the effectiveness of the hedges.

The detail of the par values of the purchase and sale futures contracts arranged by the Group at year-end and the fair value measurement thereof is as follows:

(Amounts in thousands of euros)

	2025			2024		
	Nominal	Derivative fair value		Nominal	Derivative fair value	
		Assets	Liabilities		Assets	Liabilities
Purchase	43,062	4,480	444	115,534	22	13,114
Sale	1,127		56	7,509	524	1
TOTAL		**4,480**	**500**		**546**	**13,115**

All assets and liabilities for derivative financial instruments in this category are current except for EUR 12 thousand recorded as non-current liabilities (EUR 549 thousand recorded as non-current liabilities in 2024).

Both at year-end and in 2024, all financial instruments contracted to hedge this risk meet the conditions to be considered as cash flow hedging instruments. As of December 31, 2025, unrealized gains and losses arising from the valuation at fair value and charged to the consolidated statement of comprehensive income amount to EUR 4,512 thousand. The amount transferred from the consolidated statement of comprehensive income to the profit for the year for these hedges is EUR 12,019 thousand (in 2024, the unrealized gains and losses from fair value measurement recognized in the consolidated statement of comprehensive income amounted to EUR -11,269 thousand and the amount transferred from the consolidated statement of comprehensive income to the profit for the year for these hedges was EUR 6,244 thousand).

NOTE 14 – CASH AND CASH EQUIVALENTS

The detail of "inventories" in the consolidated statement of financial position as at December 31 is as follows:

(Amounts in thousands of euros)

	2025	2024
Cash and banks	202,318	170,139
Deposits and remuneration in c/a	767,572	1,092,667
TOTAL	**969,890**	**1,262,806**

The Group made cash placements mainly in both US dollars, euros and pounds sterling. The effective interest rate on short-term deposits and current account remuneration at credit institutions at year-end was 3.86% for the US dollar (2024: 4.45%); 1.82% for the euro (2024: almost 3%) and 2.90% for the pound sterling (at year-end 2024 there were no deposits or balances remunerated on current account in pounds sterling). The average term of the placements is between one day and three months, and they have been deposited at financial institutions of recognized creditworthiness.

All cash and cash equivalents are held in current accounts or current deposits, and there were no restricted cash balances at year-end.

NOTE 15 – EQUITY

15.1 Subscribed capital, issue premium and treasury shares

The detail of the changes in the shares outstanding in 2025 and 2024 were as follows:

	No. of shares (thousands)	Number of treasury shares (thousands)	Treasury shares (in thousands of euros)	Capital stock (in thousands of euros)	Share premium (in thousands of euros)
As of January 1, 2024	**249,335**	**-106**	**-1,055**	**62,334**	**268**
Acquisition of treasury shares		-100	-961		
Long-term compensation plan (delivery of treasury shares)		181	1,770		
As of December 31, 2024	**249,335**	**-25**	**-246**	**62,334**	**268**
Acquisition of treasury shares		-67	-718		
Long-term compensation plan (delivery of treasury shares)		85	864		
Other changes			3		
As of December 31, 2025	**249,335**	**-7**	**-97**	**62,334**	**268**

a) Capital stock

The parent's capital stock solely comprises ordinary shares. All these shares carry the same rights and there are no bylaw restrictions on their transfer.

At the cut-off date the capital stock, as at 2024 year-end, consisted of 249,335,371 ordinary shares of EUR 0.25 nominal value each, yielding capital of EUR 62,334 thousand. The shares have been fully subscribed and paid.

All the Company's shares are listed on the Madrid and Barcelona stock exchanges.

At December 31, 2025, the only shareholder with a stake of 10% or more in the capital stock of Acerinox, S.A. is Corporación Financiera Alba, S.A. with 19.29% (2024: 19.29%).

b) Issue premium

The issue premium amounted to EUR 268 thousand both in 2025 and 2024 and has the same restrictions and may be used for the same purposes as the voluntary reserves of the parent, including its conversion into capital stock.

No issue premium distributions were made this year or last year.

c) Treasury shares

At year-end, treasury shares amounted to 7,000 with a value of EUR 97 thousand (December 31, 2024: 25,143 thousand treasury shares with a value of EUR 246 thousand).

In 2025, 66,697 thousand treasury shares amounting to EUR 718 thousand were acquired to cover the Multi-Year Remuneration Plans for Group executives (2024: 100 thousand treasury shares amounting to EUR 961 thousand). This year, Company directors have been awarded 84,840 of the Company's treasury shares in accordance with the conditions and achievement of targets set out in the Multi-Year Remuneration Plan. The amount of shares delivered and derecognized from treasury stock totaled EUR 864 thousand (2024: 181 thousand shares valued at EUR 1,770 thousand). The difference between the equity instruments recorded in accordance with the valuation made at the beginning of the plan and the treasury shares delivered were recorded against reserves of the parent company in the amount of EUR -648 thousand (2024: EUR -849 thousand).

15.2 Dividends paid

Acerinox has a Board-approved dividend policy which establishes the essential principles governing shareholder remuneration agreements that are submitted by the Board of Directors for approval by the General Shareholder's Meeting.

In accordance with this policy, 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.

In 2025, Acerinox shareholders received EUR 154,576 thousand in dividends. The General Shareholders' Meeting, held on May 6, 2025, approved the Board of Directors' proposal to pay a dividend for 2024 (to be paid in 2025) totaling EUR 0.62 gross per share, maintaining the same remuneration as the previous year.

As established in Acerinox's Dividend Policy, in 2025, the following payments were made:

- Interim dividend for 2024 of EUR 0.31 per share, paid on January 24, 2025.
- Final dividend for 2024 of EUR 0.31 per share, paid on July 18, 2025.

The Acerinox, S.A. Board of Directors, at their meeting of December 17, 2025, approved the distribution of an interim dividend for the year 2025 payable in cash of EUR 0.31 gross per share for each existing and outstanding Company share entitled to receive such dividend.

The provisional accounting statement prepared by the directors in accordance with Article 277 of the Spanish Corporate Enterprises Act, which shows the liquidity status for the payment of the interim dividend, is as follows:

	2025	
Cash on hand at November 30, 2025		**172,641**
Plus:		
Planned cash increases between November 30, 2025 and January 23, 2026		324,211
Dividend collection	307,655	
Receivables from operating activities	15,776	
Collection of tax refunds	780	
Less:		
Planned cash decreases between November 30, 2025 and January 24, 2026		-297,525
Capital increase Acerinox Europa	200,000	
Payments for operating activities	3,325	
Payments from financial operations	6,500	
Loan repayments	87,700	
Projected liquidity as at January 23, 2026		**199,327**
Credit line capacity		87,600
Available liquidity at January 23, 2026		**286,927**

The Group has recognized the dividend payable under "other current financial liabilities" in the consolidated balance sheet amounting to EUR 77,292 thousand.

The General Shareholders' Meeting held on April 22, 2024 resolved to distribute a dividend of EUR 0.62 per share. The amount for the distribution of dividends was the aggregate result of the sum of the following amounts:

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

The amount paid amounted to EUR 154,538 thousand in 2024.

15.3 Reserves

a) Retained earnings in reserves

"Retained earnings in reserves" includes consolidated profit or loss for the year and reserves of fully consolidated companies and of the parent, other than those mentioned below.

The detail of the reserves by Company is included in Note 15.5.

There are no restrictions on the transfer of funds by any Group company in the form of dividends, except for the non-distributable reserves required by the applicable legislation and the existing limitation in Argentina on the payment of dividends abroad. At December 31, 2025, the Group had EUR 41,198 thousand in reserves and retained earnings subject to restrictions (December 31, 2024: EUR 40,607 thousand).

The parent's legal reserve, which is included under "retained earnings in reserves" in the consolidated statement of changes in equity, was recognized in compliance with Article 274 of the Spanish Corporate Enterprises Act, which establishes that 10% of profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of capital stock. Acerinox, S.A. has already recorded this reserve for an amount equivalent to 20% of the capital stock, amounting in both periods to EUR 13,527 thousand.

The legal reserve is not distributable to shareholders and can only be used to offset losses, in the event that sufficient other reserves are not available for this purpose, in which case the reserve must be replenished with future profits.

b) Property, plant and equipment revaluation reserve

In accordance with Royal Decree-Law 7/1996, of June 7, on urgent tax measures and measures to foster and deregulate the economy, the parent revalued its items of property, plant and equipment. The amount of the reserve reflects the revaluation gains, net of tax at 3%.

The tax authorities had a three-year period from December 31, 1996 in which to conduct a tax audit. Since such an audit did not take place, the aforementioned balance may be used to eliminate losses or increase the Company's capital stock.

The balance of this account may only be distributed, either directly or indirectly, once the gain has been realized.

c) Hedge reserves

Valuation adjustments relating to hedges includes cumulative net changes in the fair value of cash flow hedging instruments associated with highly probable future transactions.

d) Reserve for actuarial adjustments

This reserve includes the changes in the actuarial value of the defined benefit plan obligations. The Group, particularly in its high-performance alloys division, has significant commitments to its employees regarding pension matters. **Note 17.1** includes detailed information. As described in the accounting policy defined in Note 2.16, the Group recognizes changes in the actuarial valuation of the obligations in other comprehensive income.

15.4 Translation differences

The detail of the changes in "translation differences" is included in the consolidated statement of changes in equity.

The breakdown of the cumulative translation differences by company at the end of 2025 and 2024 and the functional currencies of their respective Financial Statements are as follows:

(Amounts in thousands of euros)

GROUP COMPANIES	Currency	2025	2024
ACERINOX (SCHWEIZ) A.G.	CHF	1,763	1,733
ACERINOX ARGENTINA S.A.	ARS	-8,276	-7,581
ACERINOX AUSTRALASIA PTY. LTD.	AUD	-3	10
ACX DO BRASIL REPRESENTAÇOES, LTDA.	BRL	-324	-324
ACERINOX CHILE, S.A.	CLP	-1,872	-1,717
ACERINOX COLOMBIA, S.A.S.	COP	-211	-211
ACERINOX INDIA PVT LTD.	INR	-116	-68
ACERINOX METAL SANAYII VE TICARET L.S.	TRY	-2,253	-2,023
ACERINOX MIDDLE EAST DMCC (DUBAI)	AED	100	122
ACERINOX PACIFIC LTD.	HKD	-4,930	-4,777
ACERINOX POLSKA, SP. ZO.O.	PLN	-909	-1,240
ACERINOX RUSSIA LLC.	RUB		
ACERINOX SCANDINAVIA AB	SEK	-6,606	-8,244
ACERINOX S.C. MALAYSIA SDN. BHD	MYR	-2,068	-2,112
ACERINOX (SEA), PTE LTD.	SGD	167	215
ACERINOX SHANGAI CO., LTD.	CNY	775	1,031
ACERINOX U.K., LTD.	GBP	-6,033	-4,763
BAHRU STAINLESS, SDN. BHD	USD		
COLUMBUS STAINLESS INC.	ZAR	-186,512	-186,450
CORPORACIÓN ACERINOX PERU, S.A.C.	PEN	-3	1
NORTH AMERICAN STAINLESS CANADA, INC.	USD	-189	7,660
NORTH AMERICAN STAINLESS MEXICO S.A. DE C.V.	USD	2,394	8,971
NORTH AMERICAN STAINLESS FINANCIAL INVESTMENTS, LTD.	USD	2	5
NORTH AMERICAN STAINLESS INC.	USD	67,540	245,900
VDM METALS GROUP	—	-4,432	6,293
HAYNES GROUP	—	-84,098	-1,302
CABARAN DUNIA	MYR	-1,445	119
TOTAL		**-237,539**	**51,248**

The VDM and Haynes subgroups are composed of several entities, as described in **Note 6.3.** Each entity in the Group uses the local currency of its country.

The origin of the changes arising in 2025 as in 2024 is detailed below:

(Amounts in thousands of euros)

	2025	2024
Opening balance	51,248	-7,990
Difference in equity translation	-342,683	146,397
Difference in translation results	-15,555	13,072
Difference on translation of investments in Group companies	85,867	-6,761
Dividend distribution translation difference		-16
Translation differences taken to the income statement		-94,408
Purchase of non-controlling interests	-3	1
Other changes	-16,413	953
Balance as of December 31	**-237,539**	**51,248**

The translation difference derived from the valuation of shareholders' equity was negative by EUR -342,683 due to the 13% depreciation of the USD against the exchange rate at the end of 2024, since the rand has remained similar to last year. The EUR/USD exchange rate applied at the end of 2025 was 1.1750 (2024: 1.0389), while the EUR/ZAR rate was 19.4439 in 2025 (2024: 19.6188).

In 2024, the translation difference resulting from the measurement of equity was positive, i.e. EUR 146,397 thousand, due to the appreciation of 6% of the USD and 4% of the rand with respect to the exchange rate at the end of 2023. The EUR/USD exchange rate applied at the end of 2024 was 1.10389 (2023: 1.1050), while the EUR/ZAR rate was 19.6188 in 2024 (2023: 20.3477).

The translation difference by income derives from the difference between the average exchange rate applied in the translation of the income statement and the closing exchange rate applied to the balance sheet items.

Last year, as a result of the sale of Bahru Stainless and the liquidation of Acerinox Russia, the translation differences accumulated to date for both companies (Bahru Stainless, EUR 94,593 thousand, and Acerinox Russia, EUR -185 thousand) were transferred to profit and loss. As described in the valuation standard (**Note 2.6**), the translation differences are reclassified to profit or loss when the company that generates them ceases to form part of the Group.

15.5 Detail of reserves, profit or loss and non-controlling interests: Contribution by company

At December 31, 2025 and 2024, the contribution of each of the consolidated companies to reserves and consolidated profit or loss is detailed as follows:

(Amounts in thousands of euros)

	2025				2024			
	Contribution reserves	Contribution profit or loss	Results attributable to non-controlling interests	Total non-controlling interests	Contribution reserves	Contribution profit or loss	Results attributable to non-controlling interests	Total non-controlling interests
ACERINOX S.A	2,049,778	-48,790			1,203,891	148,301		
ACERINOX (SCHWEIZ) A.G.	854	-313			862	-8		
ACERINOX ARGENTINA S.A.	9,695	-913			9,365	-158		
ACERINOX AUSTRALASIA PTY. LTD.	-104	-71			10	-114		
ACERINOX BENELUX S.A. - N.V.	577	66			539	39		
ACX DO BRASIL REPRESENTAÇOES, LTDA.	278	-16			273	5		
ACERINOX CHILE, S.A.	-116	-398			365	-481		
ACERINOX COLOMBIA, S.A.S.	-55	-208			177	-232		
ACERINOX DEUTSCHLAND GMBH	-16,427	2,251			-17,375	948		
ACERINOX EUROPA, S.A.U.	-558,259	-239,401			-307,020	-251,238		
ACERINOX FRANCE, S.A.S	-10,821	-195			-11,162	341		
ACERINOX ITALIA S.R.L.	-33,257	1,295			-34,689	1,432		
ACERINOX INDIA PVT LTD.	277	-135			317	-40		
ACERINOX METAL SANAYII VE TICARET L.S.	2,644	171			2,265	379		
ACERINOX MIDDLE EAST DMCC (DUBAI)	96	-109			259	-163		
ACERINOX PACIFIC LTD.	-20,724	-65			-20,760	36		
ACERINOX POLSKA, SP. ZO.O.	1,323	495			436	888		
ACERINOX RUSSIA LLC.						-175		
ACERINOX SCANDINAVIA AB	3,192	-553			1,029	2,164		
ACERINOX S.C. MALAYSIA SDN. BHD	-37,902	-643			-37,448	-454		
ACERINOX SHANGAI CO., LTD.	685	-241			772	-87		
ACERINOX (SEA), PTE LTD.	625	-618			765	-141		
ACERINOX U.K., LTD.	1,020	1,231			688	332		
ACEROL - COMÉRCIO E INDÚSTRIA DE AÇOS INOXIDÁVEIS, UNIPESSOAL, LDA.	-1,890	-61			-2,267	377		
BAHRU STAINLESS, BDN. BHD					688	-23,158		
COLUMBUS STAINLESS (PTY) LTD.	58,873	-45,207	-14,034	33,659	91,370	-32,772	-10,240	47,660

	2025				2024			
	Contribution reserves	Contribution profit or loss	Results attributable to non-controlling interests	Total non-controlling interests	Contribution reserves	Contribution profit or loss	Results attributable to non-controlling interests	Total non-controlling interests
CORPORACIÓN ACERINOX PERU, S.A.C.	-582	-132			-419	-163		
INOX RE, S.A.	33,282	-1,258			31,023	2,259		
INOXCENTER CANARIAS, S.A.U.	1,144	-112			1,212	-68		
INOXCENTER, S.L.U.	-16,889	-1,532			-14,401	-2,488		
INOXFIL, S.A.	-6,284	-5,727	-13	29	-2,027	-4,238	-10	23
INOXIDABLES DE EUSKADI, S.A.U.	6,039	18			5,936	103		
INOXPLATE - COMÉRCIO DE PRODUCTOS DE AÇO INOXIDÁVEL, UNIPESSOAL, LDA.	2,422	170			2,305	117		
METALINOX BILBAO, S.A.U.	17,627				17,312	315		
NORTH AMERICAN STAINLESS CANADA, INC.	53,781	3,304			49,227	4,555		
NORTH AMERICAN STAINLESS MEXICO S.A. DE C.V.	27,238	4,360			28,242	-1,004		
NORTH AMERICAN STAINLESS FINANCIAL INVESTMENTS LTD.	-9,249	9,249			-10,005	10,005		
NORTH AMERICAN STAINLESS INC.	570,577	306,934			1,075,933	345,697		
ROLDAN, S.A.	14,258	-41,253	-96	-25	35,853	-21,595	-49	71
VDM METALS HOLDING GMBH	199,735	14,014			156,921	44,648		
HAYNES	6,084	15,214				381		
CABARAN DUNIA	401	-10,895				401		
TOTAL	**2,349,945**	**-40,074**	**-14,143**	**33,663**	**2,260,462**	**224,946**	**-10,299**	**47,754**

During the year, the Group company North American Stainless distributed dividends to the parent company amounting to EUR 848 million (2024: EUR 238 million), and also received dividends from other Group companies amounting to EUR 29 million (2024: EUR 22 million).

The sale of Bahru also had an impact on the parent company's reserves due to accumulated portfolio impairments, which did not have an impact on consolidated results.

15.6 Hyperinflation adjustments

On July 1, 2018, Argentina was declared to be a hyperinflationary economy, as it met the classification requirements established in IAS 29. The Acerinox Group has an entity in Argentina which engages exclusively in the marketing of stainless steel in that country and, accordingly, the amount of its assets and liabilities and its contribution to the Group's results are not significant. The Group did not restate the comparative figures for the previous period as the impacts are not significant for the Group.

The Financial Statements of Acerinox Argentina for both 2025 and 2024 were expressed in terms of the measuring unit current at the end of the reporting period. The restated cost of each non-monetary item in the Financial Statements was determined by applying to its historical cost and accumulated depreciation and depreciation charge the change in a general price index from the date of acquisition to the end of the reporting period. The revaluation of non-cash assets amounted to EUR 264 thousand cost and EUR 203 thousand accumulated depreciation (2024: EUR 708 thousand cost and EUR 518 thousand accumulated depreciation).

The components of owners' equity, except retained earnings and any revaluation surplus, were restated by applying a general price index to the various items from the date on which the components were contributed or otherwise arose. Restated retained earnings are the result of applying these indices to the other amounts in

the consolidated statement of financial position. The impact on reserves amounted to EUR 488 thousand, as reflected in the consolidated statement of changes in equity (2024: EUR 1,406 thousand).

All the items in the consolidated statement of comprehensive income were also restated in the monetary unit current at the end of the reporting period. For this purpose, all the amounts were restated by applying an index calculated on the basis of the change in the general price index from the date on which the income and expenses were recognized in the Financial Statements. The amount recognized in the income statement for this item was EUR -72 thousand (2024: EUR -272 thousand).

15.7 Non-controlling interests

At year-end, the only company with non-controlling shares was Columbus Stainless, Ltd. (Columbus), with an interest of 24% held by the South African group IDC (Industrial Development Corporation).

There are no rights to protect non-controlling shares that may restrict the entity's ability to access or use assets, or settle the entity's liabilities.

Columbus did not distribute dividends in 2025 or 2024.

The detail of the main items in the Financial Statements of Columbus, which was the only Group company with significant non-controlling shares at year-end, is as follows:

Columbus

(Amounts in thousands of euros)

	2025	2024
Non-current assets	177,089	151,304
Current assets	236,073	276,377
Total Assets	**413,162**	**427,681**
Non-current liabilities	10,458	9,685
Current liabilities	262,459	219,418
Total Liabilities	**272,917**	**229,103**

Income statement	2025	2024
Revenue	413,404	629,351
Profit/(loss) for the year	**-58,472**	**-42,665**

Cash flows	2025	2024
Operating cash flows	26,593	-5,108
Investment flows	-17,587	-26,153
Financing flows	3,082	21,587
Total cash flows generated	**12,088**	**-9,674**

When Columbus Stainless was incorporated, Acerinox signed a Shareholders Agreement in December 2001 with the three South African partners, Highveld Steel and Vanadium Corporation, Ltd., Samancor, Ltd. and IDC, which held ownership interests in that company at that time.

In Clause 9 of that agreement it was stipulated that, in the event of a change of control at Acerinox, S.A., by virtue of which a shareholder acquired shares of Acerinox, S.A. that afforded it a majority of votes at the General Meeting or on the Board, the shareholders would be able to exercise a put option on their ownership interests vis-à-vis Acerinox.

In the years that have passed, two of the three partners who signed the agreement, Highveld and Samancor, have renounced their shareholdings, and the third, IDC, a state entity supporting industrial development in South Africa, has increased its ownership interest from 12% to 24%, given its interest in supporting the creation of wealth, the maintenance of employment and the status of the stainless-steel industry as a strategic industry for the country. IDC recently declared that this was a strategic and long-term interest.

Columbus is the only stainless steel manufacturer in South Africa with a share of the South African market of around 80%, making it a strategic sector for the country.

Consequently, the exercise of this option, with respect to the aforementioned assumption, is highly unlikely for the only minority shareholder of Columbus Stainless, since its permanence is not determined by the presence of Acerinox, as it was in the case of the other shareholders, but by support to the national industry.

15.8 Distribution of profit

The proposed distribution of profit of the parent company, Acerinox, S.A., for 2025 that the Board of Directors will submit for approval by the shareholders at the General Shareholders' Meeting is as follows:

	2025
Basis for distribution:	
Profit/(loss) for the year	202,307,452
Application:	
Dividends	154,587,930
To voluntary reserves	47,719,522

The Board of Directors of Acerinox, S.A. resolved to propose to the next Ordinary General Shareholders' Meeting of the Company a dividend distribution of EUR 0.62 per share.

On May 6, 2025, the General Shareholders' Meeting approved the appropriation of the results of the parent company for the financial year 2024, with the following distribution:

	2024
Basis for distribution:	
Profit/(loss) for the year	101,478,498
Application:	
Dividends	154,587,930
To voluntary reserves	-53,109,432

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

- the interim dividend payment for the 2024 financial year for a total of EUR 0.31 gross per share, agreed by the Board of Directors at its meeting of December 18, 2024, which was paid on January 24, 2025; and

- a final dividend charged to the 2024 financial year for the amount of EUR 0.31 for each of the 249,335,371 existing shares (subject to the limits in article 148 of the Spanish Capital Companies Act on the shares held in treasury stock at the time of payment). This dividend was paid on July 18, 2025.

The total amount paid amounted to EUR 154,576 thousand. This figure differs from the appropriation of earnings approved by the General Shareholder's Meeting (EUR 154,588 thousand) due to the fact that at the time the dividend was paid, the Group held treasury shares, which are not entitled to dividends.

With regard to the 2024 financial year, the General Shareholders' Meeting held on April 22, 2024 agreed to distribute a dividend of EUR 0.62 per share, of which EUR 0.31 was paid as an interim dividend on January 26, 2024 and the other EUR 0.31 per share was paid on July 19, 2024. The total amount paid amounted to EUR 154,538 thousand.

15.9 Earnings per share

The basic earnings per share are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding in the year, less treasury shares.

(Amounts in thousands of euros)

	2025	2024
Profit/(loss) for the year attributable to the Group	-40,074	224,946
Weighted average number of common shares outstanding	249,310,145	249,335,371
Earnings per share (in euros)	**-0.16**	**0.90**

Although there were other equity instruments that gave access to capital at December 31, 2025, as indicated in **Note 17.1.4**, these do not have a significant effect on the calculation of earnings per share and, therefore, diluted earnings or losses per share are the same as basic earnings or losses per share.

NOTE 16 – DEFERRED INCOME

This heading includes both non-refundable grants and subsidies amounting to EUR 27,570 thousand (2024: EUR 41,363 thousand) and other deferred income, the explanation of which is detailed below, amounting to EUR 1,876 thousand (2024: EUR 4,528 thousand):

16.1 Grants

"Grants" includes non-refundable government aid, including emission allowances received free of charge (see Note 12.1) and other grants related to assets. The changes therein were as follows:

(Amounts in thousands of euros)

	2025	2024
Balance as of January 1	41,363	36,347
Grants awarded	27,279	29,693
Application to results	-41,162	-24,677
Balance as of December 31	**27,480**	**41,363**

The most significant amount recognized in this item is the offsetting entry for emission allowances allocated free of charge and not consumed in the current year, as detailed in **Note 12.1**. In addition, the report includes aid received by Acerinox Europa for the development of research and development or environmental activities.

The application to earnings includes the compensation of expenses provisioned in the income statement for the consumption of CO_2 rights. This year also includes the allocation to the income statement of the rights sold.

The following is a breakdown of the grants recognized in deferred income at the end of 2025 and 2024:

	2025	2024
Emission allowances allocated	26,720	40,383
Interest on subsidized loans	760	940
Other grants	0	40
	27,480	**41,363**

The detail of the grants received in 2025 is as follows:

(Amounts in thousands of euros)

	2025	2024
R&D	501	2,271
Environment	15,611	14,083
Allocation of CO2 rights	10,801	13,129
Covid-19 grants	0	0
Training	292	202
Other	74	8
Total	**27,279**	**29,693**

In 2025, the Group received an environmental grant of EUR 15,611 thousand mostly related to offsetting the costs of indirect greenhouse gas emissions and energy offsetting. In 2024, EUR 14,083 thousand were received for the same concept.

The Group considers that it has met or will meet all the conditions for receiving the grants in the period stipulated and, therefore, there are no significant contingencies in connection with the grants obtained.

16.2 Other deferred income

As explained in **Note 2.15.3** in connection with the acquisition of Haynes, the Group has increased this item due to the recognition of a deferred income and which is spread over several years.

In 2006, Haynes International received a cash payment from Titanium Metals Corporation (TIMET) under an agreement to provide transformation services exclusively and with priority for 20 years, up to a maximum tonnage specified in the contract. The services are invoiced at the contractually agreed prices. The contract therefore matures in 2026.

The cash received is recognized as income evenly over the contract's duration. The deferred income caption in the consolidated balance sheet includes the portion of the initial royalty not recognized as income to date, amounting to EUR 1,876 thousand at year-end (2024: EUR 4,528 thousand).

NOTE 17 – PROVISIONS AND CONTINGENCIES

The detail of the long-term provisions included in the balance sheet for the 2025 and 2024 tax years is as follows:

(Amounts in thousands of euros)

	2025	2024
Employee benefits	182,739	206,606
Other provisions	34,328	26,574
TOTAL	**217,067**	**233,180**

17.1 Employee benefits

17.1.1 Defined contribution plans

In accordance with their domestic legislation, certain Group companies make contributions to pension plans managed by external entities. An expense of EUR 19,802 thousand was recognized in this connection under "staff costs" in the consolidated income statement for the year (2024: EUR 20,471 thousand).

17.1.2 Defined benefit plans

The detail of the provisions for employee benefits, by type of obligation, is as follows:

(Amounts in thousands of euros)

	2025	2024
Pension plans	111,638	123,050
Compensation for early retirement	10,760	9,659
Supplements	14,084	13,984
Post-employment obligations	45,984	50,780
Other obligations	273	838
Restructuring plans		8,295
TOTAL	**182,739**	**206,606**

The defined benefit liability recognized in the consolidated statement of financial position corresponds to the present value of the defined benefit obligations existing at the reporting date less the fair value of the plan assets at that date.

The detail of the main liabilities recognized by the Group is as follows:

Pension plans

Some Group companies guarantee pension plans for their employees, mainly in the high-performance alloys division.

In the case of VDM, these are voluntary plans established prior to the acquisition. Nowadays, new hires cannot benefit from obligations of this nature. These obligations take into consideration various remuneration schemes representing various risk profiles and are based on individual and collective regulations. All these obligations are pension plans that provide benefits to plan members in the form of a pension for life. The level of this pension is based on the years of service and, depending on the case, may be based on the final salary, average salary or even fixed amounts. Since the obligations undertaken by the company in this connection are not outsourced, the company fulfills the related payment obligation when it falls due.

The weighted average term of the defined benefit obligations is 13.47 years (2024: 14.33).

As regards Haynes, the pension plans cover most of its current and former US and UK employees hired through December 31, 2005. As of today, the benefits of all employees are frozen. At year-end all of the obligations are covered by plan assets. The Group reflects liabilities at their net amount. At December 31, 2025, the amount of plan assets measured at fair value was EUR 75,539 thousand (2024: EUR 210,166 thousand). This year, 100% of the obligations have been externalized through an insurance company, which

has generated a surplus in the valuation of EUR 17,560 thousand. This amount has been transferred to other non-current assets in the balance sheet. The valuation has been made by an independent expert.

The weighted average term of the defined benefit obligations is 5.5 years (2024: 6.29).

The actuarial valuation of these obligations is conducted annually by an independent expert.

The detail of the amounts recognized in the consolidated statement of financial position and of the changes in the net defined benefit obligations in the financial year were as follows:

(Amounts in thousands of euros)

	2025	2024
Balance as of January 1	**123,050**	**118,137**
Business combination		4,507
Contributions paid	-9,147	-4,961
Expense for services rendered recognized in income	576	4,156
Interest cost	-3,892	3,733
Actuarial loss recognized against comprehensive income	-15,920	-2,521
Translation differences	-589	
Transfer to non-current assets	17,560	
Balance as of December 31	**111,638**	**123,050**

The change in the actuarial valuation is due to the increase in the retirement age by 1 year.

The analyses of the expected maturity of undiscounted pensions in the years 2025 and 2024 are as follows:

(Amounts in thousands of euros)

	2025
2026	17,237
2027	7,092
2028	7,857
2029	8,608
2030	9,318
2031-2035	58,951
Total	**109,063**

(Amounts in thousands of euros)

	2024
2025	20,743
2026	21,399
2027	21,900
2028	22,247
2029	22,732
2030-2034	114,872
Total	**223,893**

The actuarial assumptions used in this valuation for 2025 and 2024 are as follows:

In the case of VDM obligations:

	2025	2024
Discount rate	4.00	3.40
Inflation	2.10	2.10
Long-term growth rate	3.00	3.00
Pension dynamic with adjustment according to Sec. 16	2.10	2.10
Pension dynamics with adjustment according to inflation	0.00	2.10
Mortality rate	RT2018 G	RT2018G

In the case of the actuarial valuation of pension obligations at Haynes:

	2025	2024
Discount rate	5.50	5.40
Inflation	5.00	2.91
Long-term growth rate	3.50	3.50
Mortality rate	PRI-2012 Tables	PRI-2012 Tables

The sensitivity analysis performed by the company gave rise to the following adjustments to the pension obligations, based on changes in certain assumptions:

VDM sensitivity analysis:

(Amounts in thousands of euros)

		2025	2024
Discount rate	0.50 bp decrease	9,408	10,561
Salary increase	0.50 bp increase	90	112
Pension increase	0.25 bp increase	1,639	1,901
Mortality rate	Increase in life expectancy by 1 year	2,603	2,963

Haynes sensitivity analysis:

(Amounts in thousands of euros)

		2025	2024
Discount rate	0.50 bp decrease	7,228	11,225
Salary increase	0.50 bp increase		1,020

Post-employment obligations

Post-employment obligations relate, on the one hand, to medical care plans provided by Columbus Stainless to plan members following their retirement. No new members have joined the plan. The company generally performs actuarial valuations of the obligations assumed every two years. The most recent valuation was performed last financial year. The assumptions used in the valuation were a discount rate of 10.71% and a medical cost inflation rate of 7.57%.

The Haynes Group also has post-employment obligations to its employees consisting of the payment of medical insurance and life insurance once they reach retirement age. The amount payable is limited to certain sums and, since 2009, no new employees are admitted to these benefit plans. The assumptions used in the latest valuation were a discount rate of 5.375% (2024: 5.5%) and a medical cost inflation rate of 5% both years.

The beginning and closing balances of these plans for the year are reconciled as follows:

(Amounts in thousands of euros)

	2025	2024
Balance as of January 1	**50,780**	**8,675**
Business combinations		42,337
Contributions paid	-439	-594
Expense for services rendered recognized in income	972	223
Interest cost	1,100	1,326
Actuarial result recognized against comprehensive income	-1,746	-1,511
Translation differences	-4,683	322
Balance as of December 31	**45,984**	**50,780**

The discount rates applied are based on the expected growth rates of health insurance policies. Any changes in these rates may have an impact on both the obligations recognized and on comprehensive income. An increase of one percentage point in the discount rate would reduce the Group's obligation by EUR 4,916 thousand (2024: EUR 5,544 thousand). By contrast, a decrease of one percentage point in the discount rate would increase the obligation by EUR 5,136 thousand in 2025 (2024: EUR 5,994 thousand).

Acerinox Europa's Staff Rejuvenation Plan.

On July 1 last year, the pre-agreement between the company and the main trade unions, setting out the conditions of the IV Collective Bargaining Agreement of Acerinox Europa for its Campo de Gibraltar Factory, became definitive. The Agreement also establishes the undertaking to reach a social pact for employment as an important boost to maintain the Company's leadership in the market and to contribute to quality jobs in Acerinox Europa, with a special focus on attracting, developing and retaining talent. On December 20, the conditions of the aforementioned social pact were agreed upon, based on four lines of action:

1. Strategic people management plan
2. Talent attraction and onboarding
3. Training and professional development
4. Employment rejuvenation program

With regard to the Employment Rejuvenation Program, as established in the agreement, a second phase of the Plan was launched this year, which (as was approved last year) is based primarily on the principle of voluntary adherence, as long as the following conditions are met:

- Be over 61 (the first phase included all those born between 1962 and 1963).
- Have passed on their professional knowledge to whoever the Company designates as their successor in the position.
- Waive the right to apply for unemployment subsidy once the two years of unemployment benefits have been exhausted.

The amount provisioned this year corresponding to the salary indemnities of people who voluntarily joined the Plan and who are expected to terminate their contracts in 2026 amounts to EUR 4,095 thousand. This provision has been recorded as "personnel expenses" in the income statement and is shown in the balance sheet, in the short term, under "Trade and other payables" as the obligation has been externalized and settled in January 2026. In addition, a provision was made for the cost of the contribution to the Treasury established in Additional Provision Sixteen of Law 27/2011, amounting to EUR 4,631 thousand, included under "non-current provisions".

In 2024, the amount estimated by the persons participating in the first phase amounted to EUR 12,174 thousand, included under "personnel expenses" in the income statement and with a balancing entry under "non-current provisions" in the balance sheet. This amount included the cost of salary indemnities estimated at EUR 7,953 thousand and the possible cost of the contribution to the Treasury established in the Sixteenth Additional Provision of Law 27/2011, amounting to EUR 4,221 thousand.

In January 2025, the Company paid for the externalization of the persons who had adhered to the approved early retirement plan and who left in 2024 and 2025, amounting to EUR 3,348 thousand, which led to a reduction in the amount of the provision made.

In connection with the employment regulation plan carried out in 2019, the obligations arising from the approved early retirement plan are completely externalized, which means that the insurance company will compensate the employees at the time of their retirement. EUR 1,282 thousand were paid in this fiscal year in connection with a charge to the insurance policy taken out (2024: EUR 3,322 thousand).

At December 31, the existing liabilities relating to the future payments to be made by the Group were duly outsourced and covered in full. Accordingly, it was not necessary for the Group to recognize any additional liabilities. Any differences arising between the amount of the provision and the insurance taken out are charged or credited to the income statement for the year.

The Company also provisioned EUR 9,254 thousand relating to the contribution to the Treasury established in Additional Provision Sixteen of Law 27/2011, amended by Royal Decree 1484/2012, accrued as a result of the presence of certain workers of over 50 years of age. This contribution will be payable to the pertinent authority in accordance with the aforementioned legislation. This provision appears together with the provision resulting from the rejuvenation plan approved this year in the item "other provisions", broken down in **Note 17.2.**

Note 17.2 discloses the amounts provisioned at the end of this year relating to employment regularizations carried out by the entity.

17.1.3 Other obligations

On the other hand, there are obligations for retirement commitments agreed with Senior Management and arising from certain contracts amounting to EUR 13,669 thousand (2024: EUR 19,540 thousand). Since these obligations were appropriately insured in both 2025 and 2024, and their estimated amount was covered by cash flows arising from the insurance policies taken out for this purpose, no liabilities were recognized in this connection.

The assumptions used to calculate the fair value are detailed below:

	2025	2024
Mortality table	PER2020_Col_1er.orden	PER2020_Col_1er.orden
CPI	2.00 %	2.00 %
Salary growth	2.00 %	2.00 %
Growth in social security	IPC+0.115%	IPC+0.115%
Retirement age	65 years	65 years
Accrual method	Projected Unit Credit	Projected Unit Credit

17.1.4 Share-based payment transactions

The Group has multi-year long-term incentive remuneration plans (LTIP) for certain Group executives, which are instrumented through payment in shares of Acerinox, S.A. The plans consist of three cycles of three years each. The delivery of the shares and the number to be delivered are contingent upon the fulfillment of certain vesting requirements relating to the employee remaining in service and the achievement of individual corporate objectives, certain of which depend on market circumstances.

The Group presumes that the services are to be provided over the irrevocability or vesting period as consideration for the future delivery of the shares. Accordingly, the services rendered are recognized on a straight-line basis over the period in which the rights to receive those shares become irrevocable.

The Group measures the goods or services received, as well as the corresponding increase in equity, at the fair value of the equity instruments granted at the grant date.

To calculate this theoretical number of shares, the shares of Acerinox, S.A. are measured at their quoted price 30 trading days prior to commencement of the Plan, and their subsequent increase or decrease in value is assumed by the employee. The resulting number of performance shares is used as the basis for determining the actual number of Acerinox, S.A. shares to be delivered (if any) at the end of each cycle, depending on the extent to which objectives are achieved and subject to compliance with the requirements set out in the regulations governing each plan.

The Group engages an independent expert to calculate the percentage of objectives achieved, subject to market conditions. Using accepted valuation techniques (the Monte Carlo method), the expert calculates the reasonable percentage of shares attributable to each employee subject to the remuneration plan. According to this valuation, the number of shares to be delivered in the performance of each of the plan cycles would be 78,853 shares for the first plan, which ended last year, 203,830 shares for the second, and 309,427 for the approved for the period 2026-2028.

This year, 84 thousand treasury shares were delivered to Group executives as a result of the completion of the plan for the current year (2024: 184 thousand treasury shares delivered). The difference between the value of the treasury shares delivered (2025: EUR 865 thousand and 2024: EUR 1,770 thousand) and the equity instruments provisioned on the basis of the estimates made (2025: EUR 1,838 thousand and 2024: EUR 1,825 thousand), after deducting withholdings on account, was moved to reserves in the amount of EUR -648 thousand and EUR -849 thousand, respectively.

The expense incurred this year amounted to EUR 2,711 thousand (2024: EUR 3,315 thousand), the balancing entry of which was recognized under "other equity instruments". The amount recognized at year-end under "other equity instruments" in the balance sheet totaled EUR 6,425 thousand (2024: EUR 5,591 thousand).

17.2 Other provisions

The changes in 2025 and 2024 were as follows:

(Amounts in thousands of euros)

	CO2	Other provisions	Total
As of December 31, 2023	**14,202**	**17,481**	**31,683**
Allocation provision	12,206	4,632	16,838
Application	-14,309	-493	-14,802
Release of provisions	-143	-7,033	-7,176
Translation differences		31	31
As of December 31, 2024	**11,956**	**14,618**	**26,574**
Allocation provision	15,284	4,872	20,156
Application	-11,625	-313	-11,938
Release of provisions	-327	-50	-377
Translation differences		-87	-87
As of December 31, 2025	**15,288**	**19,040**	**34,328**

CO2

This heading includes the provisions relating to CO_2 emissions in the year, for which the emission allowances had yet to be surrendered at year-end (see **Note 12.1**).

Applications for the year include derecognition of emission allowances for 2025, totaling EUR 11,625 thousand (2024: EUR 14,309 thousand) (see **Note 12.1**).

Litigation

At the end of 2025, the Group continued to be involved in litigation with the Italian tax authorities concerning transfer pricing adjustments made for the years 2007 to 2017, which are explained in detail in **Note 20.5**.

With regard to 2007 to 2009, these have been definitively closed during the current fiscal year following the payment of EUR 702 thousand (corresponding to installments, interest, and collection fees), which have been written off from the provision allocated. These are added to the EUR 3,010 thousand paid in previous years for transactions with third countries.

As for the 2014, 2015 and 2016 periods, once the mutual agreement procedures (MAP) were signed with European Union entities that eliminated or drastically reduced the initial adjustments, the Group continues to negotiate with the Italian administration to close the adjustments related to transactions with third countries. It is likely that these will be resolved under compromise criteria similar to those applied in previous years.

Regarding 2017, in December 2025 the Mutual Agreement Procedure with Spain was resolved, formally accepted by the Company in January 2026, reducing the adjustment in taxable income from EUR 789 thousand to a final figure of EUR 465 thousand. However, the Group maintains its appeal before the Milan Tax Court against the remaining third-country adjustments.

During 2024, with respect to the latter procedure, the Company made various payments totaling EUR 542 thousand, corresponding to the regularization of tax loss carryforwards (EUR 422.6 thousand) and provisional collection payments (EUR 119.2 thousand).

The amount of the provision for tax contingencies at year-end 2025 amounts to EUR 2,801 thousand, which is included in the balance sheet under deferred tax liabilities. In accordance with the opinion of its expert advisors, the Group considers that this amount is sufficient to cover the estimated final liability (EUR 1.88 million after deducting the payments already made), allowing it to cover both the amounts pending execution and the possible resolutions of the appeals in progress.

Other provisions

Other provisions include the valuation made by Acerinox Europa, S.A.U. of the obligations related to the contribution to the Treasury established in Additional Provision Sixteen of Law 27/2011, arising from both the collective redundancy plan carried out in 2019 and the one approved these two last years in the staff rejuvenation plan agreed in the last collective bargaining agreement. Obligations amounted to EUR 18,106 thousand. When calculating the provision, the characteristics of the employees included in the collective redundancy procedure are taken into account, together with observance of the legal requirements established by law and the applicable percentages. **Note 17.1.2** sets out the details of these collective redundancy procedures.

17.3 Guarantees provided

At December 31, 2025, the Group had provided guarantees to third parties, mainly public authorities, totaling EUR 21.9 million (2024: EUR 27.2 million). This amount includes the guarantees totaling EUR 1.5 million provided to the Italian tax authorities as a result of the tax assessments arising from the tax audits described in **Note 20.5**. It also includes EUR 4.2 million deposited as a guarantee with the Ministry of Industry for credits obtained under the financial support program for industrial investment in the framework of the public policy for reindustrialization and strengthening industrial competitiveness (REINDUS). Guarantees totaling EUR 2.5 million were also deposited with the customs authorities.

Group Management does not expect any significant liabilities to arise from these guarantees.

17.4 Contingencies

There are no contingent liabilities at the end of this year or last year.

NOTE 18 – INCOME AND EXPENSES

18.1 Revenue

The detail of "revenue" in 2025 and 2024 is as follows:

(Amounts in thousands of euros)

	2025	2024
Sale of goods	5,767,634	5,398,579
Provision of services	12,879	14,550
Work performed by the company on its fixed assets	4,439	2,991
Operating lease income	423	656
Income from disposal of fixed assets	193	259
Income from grants or subsidies	12,737	13,726
Revenues from emission allowance subsidies	15,284	10,951
Valuation at fair value of derivatives	-292	-357
Other income	38,024	9,912
TOTAL	**5,851,321**	**5,451,267**

The increase in sales compared to the previous year is mainly due to the almost five-month strike that took place at Acerinox Europa, which significantly reduced sales. On the other hand, Haynes was included in the scope of consolidation in November last year, so that in 2024 only one month of activity was included in the consolidated Group's figures. Bahru ceased to be part of the scope in December 2024.

In Europe, import pressures and low demand levels have pushed prices downward throughout the year.

In the United States, although apparent stainless steel consumption has remained stable, at low levels, the changes introduced by the US Administration in Section 232 (increase in tariffs from 25% to 50%) have allowed price increases in the second half of the year.

"Income from grants or subsidies" includes the extraordinary subsidies from public bodies listed in **Note 16**.

Other income includes mainly the result obtained from the sale of emission rights, which, as explained in Note 12.1, amounted to EUR 21,185 thousand.

18.2 Staff costs

The detail of "staff costs" incurred in 2025 and 2024 is as follows:

(Amounts in thousands of euros)

	2025	2024
Wages and salaries	650,385	498,907
Social security	126,752	110,166
Contributions to employee benefit plans	11,402	12,249
Contributions to defined benefit plans	8,400	8,222
Termination benefits	2,052	8,030
Variation in employee benefit provision	6,455	14,191
Other staff costs	18,652	19,192
TOTAL	**824,098**	**670,957**

All personnel expense items include Haynes' expenses since its incorporation to the scope in November 2024, so the previous year includes only one month of expenses while this year includes 12 months.

The item "variation in employee benefit provision" includes the effects recognized as a result of the collective redundancy procedures of Acerinox Europa, S.A.U., which are mentioned in **Note 17.1**.

The average number of employees for 2025 and 2024, by category, is as follows:

	2025		2024	
	Men	Women	Men	Women
Senior Vice President	6		7	
Director	33	6	22	5
Manager	319	84	225	48
Analyst / Supervisor	689	210	590	193
Specialist	355	187	259	109
Administrative staff	626	467	594	429
Operators	5,760	332	5,187	241
TOTAL	**7,788**	**1,286**	**6,884**	**1,025**

The average number of employees is affected by the inclusion of Haynes in the Group's figures in November 2024, affecting the average number of employees in the previous year.

The detail of the employees, including directors, at December 31, by gender and category, is as follows:

	2025		2024	
	Men	Women	Men	Women
Board Members	7	4	7	4
Senior Vice President	6		7	
Director	24	6	28	5
Manager	323	82	320	82
Analyst / Supervisor	708	230	721	240
Specialist	381	214	387	216
Administrative staff	618	467	605	473
Operators	5,751	335	5,885	331
TOTAL	**7,818**	**1,338**	**7,960**	**1,351**

These figures do not include 49 workers on partial retirement plan (2024: 61).

At December 31, 2025, the number of employees in Spain with a disability equal to or greater than 33% was 38 (33 men and 5 women) (2024: 42; 40 men and 2 women).

All companies comply with the provisions of the General Law on the Rights of Persons with Disabilities, either through the number of people on the staff of each company or through the authorization for alternative measures.

Acerinox Europa agreement

In 2024, after 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, will enable the development of a strategy through greater efficiency, flexibility, and diversification. Among other measures, we would like to highlight the following:

a) The new agreement includes a wage increase of approximately 13% over 4 years.
b) 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.
c) Voluntary paid availability of employees.
d) Voluntary paid polyvalence with workforce training.
e) 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.

The signing of this agreement puts an end to five months of collective conflict.

On June 21, 2024, the plant resumed operations under the new agreement, with a production model that is adapted to current market needs and the strategy defined by the Group. This model will contribute to implement the strategy to alleviate the economic losses accumulated over the last few years and will address the real demand situation, which is characterized by strong competition and volatility.

18.3 Other operating expenses

The detail of "other operating expenses" is as follows:

(Amounts in thousands of euros)

	2025	2024
Rentals	18,249	16,703
Commercial expenses	162,693	164,075
Supplies	309,206	281,136
Maintenance	105,364	79,356
Outside services	230,952	224,681
Insurance	33,695	29,891
Banking services	2,480	2,906
Other operating expenses	55,144	43,944
Taxes	29,071	20,662
Changes in current provisions	4,968	-4,565
Losses on sale of fixed assets	1,104	849
Other extraordinary expenses	2,344	5,575
TOTAL	**955,270**	**865,213**

The cost increase this year is due to the Group's increased activity compared to 2024. On the one hand, a 5-month strike took place in Acerinox Europa in 2024, which significantly reduced activity. On the other hand, there have been changes in the scope that make it impossible to compare the information directly (see **Note 2.3**).

External services in 2024 includes expenses arising from the acquisition of Haynes International in the amount of EUR 20,578 thousand, as shown in **Note 6.1**.

NOTE 19 – NET FINANCING EXPENSE

The detail of "net financing expense" is as follows:

(Amounts in thousands of euros)

	2025	2024
Interest income and other financial income	41,570	91,150
Dividend income	344	455
TOTAL FINANCIAL INCOME	**41,914**	**91,605**
Interest and other financial expenses	-93,427	-108,114
Losses from the liquidation of investments in consolidated companies		-1,020
Impairment and loss on disposal of financial investments	-100	
TOTAL FINANCIAL EXPENSES	**-93,527**	**-109,134**
Income from exchange differences	-9,681	1,183
Results from revaluation of financial instruments at fair value (currency forwards)	-2,081	9,845
FINANCIAL INCOME FROM EXCHANGE DIFFERENCES	**-11,762**	**11,028**
NET FINANCIAL COSTS	**-63,375**	**-6,501**

Interest income mainly includes the Group's forward cash investments, mainly in US dollars and, to a lesser extent, in euro and pounds sterling. The decrease in interest income compared to the previous year is mainly due to the reduction in average interest-bearing balances in the Group's US subsidiary, North American Stainless, following the cash acquisition of the Haynes Group in November 2024 (amounting to USD 799 million). This is compounded by a falling official interest rate environment in 2025: the Fed, the ECB and the BoE have maintained the downward trend initiated during the second half of 2024, placing their current benchmark rates at 3.5%-3.75%, 2% and 3.75%, respectively. **Note 5.1.2** includes detailed information on the management of interest rate risk in the Group.

Borrowing costs include mainly the interest accrued on bank borrowings which are explained in **Note 13.2.3**. The current context of official interest rate cuts has led to a decrease in the Group's financial costs compared to the previous year, despite the increase in the Group's gross debt during 2025. This decrease is mainly due to the reduction in the average cost of debt, favored by the drop in reference rates for variable-rate financing.

Lastly, gains or losses from translation differences arise in the course of the Group's commercial transactions as well as its financial and investment transactions. The Group uses derivative financial instruments to hedge most of the transactions performed in a currency other than the functional currency of each country. The use of these instruments ensures that any exchange rate fluctuations are offset by changes with the opposite sign in respect of the arranged derivative. The differences between the two amounts are mainly due to the interest rate differences between the currencies involved in the exchange rate insurance taken out and the differences between the insurance taken out and the monetary items in foreign currency. The volatility of the USD and the significant depreciation this year also impacted the exchange differences item in this year and the hedges made.

NOTE 20 – TAX MATTERS

20.1 Legislative amendments

During 2025, the Group's tax management has been conditioned by the operational deployment of the complex global minimum tax framework and the continuity of the limitations on offsetting tax assets in Spain, as well as the entry into force of new industrial incentives and the tightening of tariff policy in the United States and Europe.

As detailed in the accounting policies of last year's financial statements, the Group availed itself of the temporary exception for the recognition of deferred tax assets and liabilities arising from the Pillar 2 rules, as well as the expense derived from calculation of the 15% minimum tax. However, since the Directive has been transposed in several countries and the calculation of this minimum payment and recognition of a current tax, where applicable, is mandatory, the Group reassessed the possible impact of applying this standard at the end of this period. As concluded in the following section, no additional tax was required in any of the jurisdictions in which the Group is present.

- **Spain**

During this year, several significant modifications have been approved that affect this period:

Corporate Income Tax

The regulatory framework applicable at year-end 2025 is mainly determined by Law 7/2024, of December 20, which, as well as regulating the Complementary Tax, reincorporated into the Corporate Income Tax Law (LIS) the measures declared unconstitutional by Judgment 11/2024 of the Constitutional Court.

Limitations on tax credit offsets and basis adjustments.

In accordance with the fifteenth additional provision of the Corporate Income Tax Law (LIS) (reintroduced by Law 7/2024), the following restrictions remain in force for 2025 for large companies (net turnover of more than EUR 20 million):

- Offset of tax loss carryforwards based on turnover: The limit for offsetting tax loss carryforwards is set at 25% for entities with net sales in excess of EUR 60 million.

- Specific limit in Tax Groups: The limitation initially established for 2023 was expressly extended by Law 7/2024 to tax periods beginning in 2024 and 2025; the measure limits the offsetting of individual tax losses of group entities to 50%. The non-integrated amounts will be recovered in tenths over the following ten years.

  The Group has tax credits for this item amounting to EUR 58,765 thousand to be reversed over 10 years, of which only those arising in 2023 and 2024 are capitalized for accounting purposes as deferred tax assets.

- Double Taxation Deductions: The joint limit of 50% of the gross tax liability for the application of deductions for international or domestic double taxation is reestablished.

The Group has taken this change into account, although it has had no impact as the tax base is negative in any case.

- On January 18, 2024, the Constitutional Court declared Royal Decree Law 3/2016, of December 2, to be unconstitutional in the terms described in the report for 2023, agreeing, *inter alia*, the nullity of the limitation of tax loss carryforwards.

  However, with the limitation on the offsetting of tax loss carryforwards approved by Law 7/2024 and discussed above, the effect of this ruling is limited to 2023 and to those tax returns that had been challenged prior to the Court's ruling.

  The Group, in anticipation of a possible declaration of invalidity, challenged its corporate income tax returns for the years 2016 to 2019 in 2021. These claims are currently before the National High Court, pending a vote and ruling.

  Accordingly, it is considered that over the course of 2026 its claims pending a vote and ruling by the National Court for 2016 to 2019 should be resolved, which will result in additional income for the Group of EUR 7.3 million plus interest. These refunds mainly correspond to the higher application of carry-forward tax losses from 2017 and 2018. The Group has not recognized any asset for this item during the year as it was not applicable at year-end and it has not received any notification from either the National High Court or the Tax Authority regarding the possible enforcement of the judgment.

  In 2022, it also challenged the 2021 corporate income tax return. As a result of the challenge, an additional income of EUR 2,012 thousand has been received this year.

Pillar 2- GloBE

In recent years, the most significant regulatory development for the Group is the transposition and entry into force of the 15% global minimum taxation framework. In Spain, this process culminated in approval of Law 7/2024, of December 20, establishing a Complementary Tax to guarantee an overall minimum level of taxation for multinational groups and large domestic groups.

This regulation, which transposes Directive (EU) 2022/2523, introduces a taxation scheme based on the calculation of a jurisdictional effective tax rate (ETR), ensuring that the profits obtained by the Group in each country where it operates are taxed at least at this minimum rate.

On April 2, 2025, Royal Decree 252/2025 approved the Complementary Tax Regulations. This text develops the operational aspects of Law 7/2024, detailing the determination of the "GloBe Allowable Profit or Loss" and the adjustments for deferred taxes.

Prior to performing the detailed calculation required by Pillar 2, the Group analyzed the application of the Transitional Safe Harbors provided for in the Fourth Transitional Provision of Law 7/2024 and in the OECD administrative guidelines.

These safe harbors are applicable for the first three years (2024-2026), now extended to 2027.

The preliminary analysis carried out by the Group indicates that most of the jurisdictions in which the Group operates, and therefore most of its entities, including the most relevant ones (located in the USA, Germany, South Africa, and Spain), would be covered by these safe harbors. This mitigates the impact on the current tax burden in the short term, though it does not exempt the Group from its formal reporting obligations

In compliance with Law 28/2022, of 21 December, which amends the Commercial Code and other regulations to increase corporate information transparency, the Group acknowledges its obligation to prepare and publish a Corporate Income Tax report (public CbC).

The report corresponding to the 2025 fiscal year will be published in the Commercial Registry and on the company's website within the established legal deadlines.

OECD Side-by-Side Package (SbS)

In January 2026, the OECD Inclusive Framework published the administrative package "Side-by-Side", with retroactive or planning effects for the close of 2025 and which mainly includes the following:

- **US Status**: The United States is recognized as the only jurisdiction with a "Qualified SbS Regime" as of the closing date. This implies that, for years beginning on or after January 1, 2026, the Group will be able to elect automatic application of the safe harbor, which will de facto eliminate any supplementary taxes set out in the Pillar 2 standards.

- **Extension of the Transitional Safe Harbor**: a one-year extension of the Transitional Safe Harbor based on the CbCR (Country-by-Country Report) is agreed upon until 2027 with a simplified tax rate of 17% for this year.

- **United States**

As regards the United States, on July 4, 2025, the so-called "One Big Beautiful Bill Act" was passed. This tax reform includes changes in the tax law affecting different taxes.

The main changes in the area of Corporate Income Tax are as follows:

- Deductions for research and development (R&D) expenses are extended.
- Limitation of interest expenses: new rules are established for calculating the limitation. In principle, it is not expected to have an impact on the Group as it has almost no financing in the United States.
- Accelerated depreciation: Restoration of accelerated depreciation for property (of any type) acquired and placed in service after January 19, 2025.
- Special Depreciation for Qualified Production Property: the Law allows taxpayers to apply 100% bonus depreciation to qualified production property.
- Modification and phase-out of a wide range of Clean Energy Credits from the Inflation Reduction Act (IRA).

International Tax Implications included in such reform:

- Increase of the BEAT-Base Erosion Anti-abuse Tax: This is a minimum tax applicable to certain taxpayers and is levied on certain payments made abroad. The BEAT rate increases from 10% to 10.5% of taxable income.

- With respect to global intangible low-taxed income (GILTI) and foreign-derived intangible income (FDII) the deductions are decreased to 40% (previously 50%) and 33.34% (formerly 36.5%) respectively for tax years beginning after December 31, 2025, which would result in an effective tax rate of 14% for both.

- Foreign Tax Credit Limitation (FTC): The deductions allocable to foreign-derived income are limited and take into account the net income of companies controlled by foreign entities.

All of these corporate income tax amendments would apply for years beginning on or after January 1, 2026, but are not expected to have a significant impact.

Section 232: Tariff Increase

In June 2025, the US administration doubled the **Section 232** tariffs from 25% to **50%** for steel imports from various jurisdictions. This measure, reinforced by the **"Melted and Poured"** criterion, has strengthened NAS's market share as a local producer by making it more difficult for products processed in third countries with steel of uncertain origin to enter the market.

- Germany

The core of the tax reduction for future years is set out in the Wachstumsbooster-Gesetz (or Law for an Immediate Investment Tax Program for the Strengthening of the Economic Location), finally passed in July 2025. This regulation breaks with the static 15% Corporate Income Tax rate (Körperschaftsteuer) that had prevailed in Germany since 2008, establishing a staggered decrease that will begin in 2028.

The reduction of one percentage point per year through 2032 is intended to bring the federal nominal rate to 10%. When considering that German companies are also subject to the solidarity surcharge (Solidaritätszuschlag) and the municipal business tax (Gewerbesteuer), the total tax burden —currently around 30%— will drop to approximately 25% by 2032.

This reduction not only impacts future direct taxation, but also generates immediate challenges in valuing deferred taxes in the balance sheets under IFRS. In accordance with accounting regulations, deferred tax assets and liabilities must be measured using the tax rates expected to apply when the temporary difference is reversed. This obliges tax departments to perform a scheduling exercise to determine in which specific year

tax losses will be settled or valuation differences will be reversed. In the Group this has led to a reduction of deferred tax assets in the amount of EUR 367 thousand.

20.2 Income tax expense

The income tax expense is more relevant for the Group in those jurisdictions where the Group's factories are located, specifically (i) Spain, where the parent company of the Acerinox Group is located, with a general tax rate of 25%, (ii) USA, where North American Stainless is located, with a federal tax rate of 21%, (iii) Germany, a jurisdiction where the VDM Metals Group is located, with a general tax rate of 15%, which after adding different supplements (solidarity, industry) reaches 33%, and South Africa, where Columbus is located (27%).

The income tax expense recognized was as follows:

(Amounts in thousands of euros)

	2025	2024
Current tax	126,126	157,966
Deferred taxes	-31,036	-93,204
Derecognition of tax credits	48,129	61,548
Income tax	**143,219**	**126,310**

The decrease in deferred taxes this year is due mainly to the Group's prudence principle, not recognizing tax credits for losses incurred by certain Group entities nor the credits arising from the limitation on the use of 50% of the losses for the year in the Spanish tax consolidation Group, which generates a right to deduct such losses on a straight-line basis over the ten subsequent years. This results in a higher tax expense for the year, despite the lower results. Regarding impairment of tax credits, **Note 20.3.3** explains the recoverability analyses carried out by the Group in respect of tax loss carryforwards and deductions pending offset.

A reconciliation of the income tax expense recognized in the consolidated income statement to the accounting profit is presented below:

(Amounts in thousands of euros)

	2025		2024	
Net profit (loss) for the year		**-40,074**		**224,946**
Non-controlling interests		-14,143		-10,299
Income tax		143,219		126,310
Other taxes		799		645
Pretax income		**89,801**		**341,602**
Tax on profits using local tax rate	25 %	22,450	25 %	85,401
Effects on tax charge:				
Effect of tax rates for foreign companies		-4,822		-493
Non-deductible expenses		1,635		8,333
Tax incentives not recognized in the income statement		-230		-1,744
Non-taxable income		-2,263		-39,953
Dividends subject to taxation		10,855		3,128
Adjustment for prior years		-2,360		255
Adjustment to tax rates related to deferred taxes		1,027		1,666
Provision for tax litigation, tax assessments and settlements		-46		1,085
Unrecognized tax credits		70,594		195
Derecognition of tax credits		48,129		61,548
Unused tax credits used in the year		-407		2
Other		-1,343		6,887
Income tax		**143,219**		**126,310**

Regarding the information shown in the table, the amount recognized under "other taxes" in the consolidated income statement includes the taxes paid abroad as a result of the withholdings made on the payment of interest and dividends.

The parent company received dividends from its subsidiaries in the amount of EUR 877 million, most of which were exempt from tax withholdings (2024: EUR 261 million, and practically all of them were exempt from taxation). 95% of these dividends are generally exempt from taxation in Spain.

In addition, the parent company of the VDM Metal Group received dividends from its subsidiaries amounting to EUR 9,186 thousand, most of which were also exempt from foreign withholding tax.

Withholdings on interest payments are deductible from corporate income tax under the double taxation conventions, and they reduce the income tax expense.

The variation in non-deductible expenses is noteworthy with respect to the previous year. As indicated in fiscal year 2024, the amount of the non-deductible expenses was mainly derived from the non-deductibility of the impairment of assets recognized in the Malaysian company Bahru Stainless. As indicated throughout the notes to the financial statements, the Group sold a Malaysian company in 2024, and no impairment of assets was recorded in this period.

With respect to non-taxable income, the significant decrease with respect to the previous year is due mainly to the impact of the sale of Bahru Stainless on the results of the Consolidated Group in 2024 (EUR 146,260 thousand), that were not taxed for tax purposes.

In addition, tax credits have been derecognized this year in accordance with the analysis of tax loss performed in the Spanish consolidated group and described in **Note 20.3.3**.

20.3 Deferred taxes

The changes in deferred tax assets and liabilities were as follows:

(Amounts in thousands of euros)

	2025		2024	
	Prepaid taxes	Deferred taxes	Prepaid taxes	Deferred taxes (*)
Balance as of January 1	**177,683**	**248,279**	**169,266**	**205,901**
Expenses / (Income) for the period	-16,979	-48,015	67,094	-26,110
Impairment of tax credits	-48,129		-61,548	
Taxes taken directly to shareholders' equity	-6,332	2,689	2,876	-161
Exchange rate variations	-999	-17,427	415	4,489
Business combination	0	0	4,419	72,516
Transfers	37,141	37,141	-4,916	-4,916
Other variations	18	-183	77	-3,440
Balance as of December 31	**142,403**	**222,484**	**177,683**	**248,279**

(*) 2024 figures restated due to the provisional closing of the goodwill valuation under IFRS-3 (See Note 6.1)

The origin of the deferred tax assets and liabilities is as follows:

(Amounts in thousands of euros)

	Assets		Liabilities (*)		Net	
	2025	2024	2025	2024	2025	2024
Goodwill and other intangible assets	1,963	3,536	-69,080	-84,167	-67,117	-80,631
Property, plant and equipment	554	540	-142,153	-157,630	-141,599	-157,090
Financial assets	25	28	-132	-157	-107	-129
Inventories	8,543	9,485	-56,836	-71,819	-48,293	-62,334
Other assets	217	4,302	-4,706	-5,572	-4,489	-1,270
Provisions	19,540	18,865	-2,533	-2,964	17,007	15,901
Employee benefit plan	32,527	39,991	-2,773	-2,400	29,754	37,591
Financial liabilities	2,100	6,070	-1,861	-3,633	239	2,437
Other liabilities	2,164	2,920	-9,709	-10,719	-7,545	-7,799
Non-deductible financial expenses		33				33
Other tax deductions	9,243	21,990			9,243	21,990
Unused tax losses	76,861	99,021			76,861	99,021
Limitation on the offsetting of losses	58,765	65,688			58,765	65,688
Provision for tax litigation			-2,800	-4,004	-2,800	-4,004
Deferred tax assets/liabilities	**212,502**	**272,469**	**-292,583**	**-343,065**	**-80,081**	**-70,596**
Offsetting deferred tax assets and liabilities	-70,099	-94,786	70,099	94,786		
Deferred tax assets/liabilities	**142,403**	**177,683**	**-222,484**	**-248,279**	**-80,081**	**-70,596**

(*) 2024 figures restated due to the provisional closing of the goodwill valuation under IFRS-3 (See Note 6.1)

Most of the deferred taxes have a reversal period of more than one year.

Deferred tax assets and liabilities recognized last year arising from the business combination carried out after the acquisition of the Haynes Group, amounted to EUR 4,419 thousand of deferred tax assets in the acquisition balance sheet and EUR 1,454 thousand of deferred tax liabilities.

In addition, the recording of the assets and liabilities of the acquired company at fair value led to a difference between the tax value of these items and their carrying value, which gave rise to a deferred tax liability of EUR 71,061 thousand. This is the only value adjusted with respect to the provisional values estimated at the end of the last fiscal year following completion of the valuation exercise. The change (EUR 2,136 thousand) is due to the adjustment of state tax rates to the applicable effective rates.

The amount of deferred tax assets stands out, originating from employee benefit plans, is once again noteworthy this year. This balance is due to the non-deductibility of the provision for the obligations arising from the Acerinox Europa collective redundancy procedure. This expense is not tax deductible until these obligations are settled, which will take place as the employees allocated to the plan reach the retirement age established in it.

As a consequence of the extension to 2024 and 2025 of the limitation on the offsetting of tax loss carryforwards within the tax consolidation group, the Group has opted not to record additional assets in 2025. As a result, the balance has only been reduced by one-tenth, as required by regulations.

As laid down in the Corporate Income Tax accounting policy (**Note 2.19**), the Group only offsets deferred tax assets and liabilities when there is a legally enforceable right to do so, the assets and liabilities correspond to the same tax authority and the Group plans to realize current tax assets or settle current tax liabilities on a net basis.

20.3.1 Deferred tax liabilities

As indicated in **Note 20.1**, the amount of deferred tax liabilities arises primarily in those jurisdictions where the Group has its manufacturing facilities.

Spain

Total deferred tax liabilities in Spain amount to EUR 20,452 thousand. The main origin of these liabilities corresponds to the recognition of goodwill for foreign investments (EUR 19,584 thousand); subsidies recognized for the allocation of free emission allowances and the valuation of derivatives at fair value through profit or loss.

United States

About 50% of the deferred taxes recorded in the USA is due to the different tax and accounting treatment of depreciation and amortization. Almost 42% corresponds to goodwill derived from the Haynes Group acquisition.

Germany

In the case of Germany, the deferred taxes recorded (EUR 112,574 thousand) mainly relate to inventories, due to the different accounting and tax treatment of their valuation (EUR 58 million) and EUR 38 million come from the different tax and accounting treatment of depreciation.

South Africa

In Columbus Stainless, the deferred liabilities of EUR 17,296 thousand corresponds almost entirely to the different tax and accounting treatment of depreciation and amortization.

The Group has no recognized deferred tax liabilities arising from investments in subsidiaries, as explained in **Note 3**.

20.3.2 Deferred tax assets

At December 31, 2025 and 2024, the Group had tax assets arising from carry-forward tax losses, to be used within the following periods:

(Amounts in thousands of euros)

	2025	2024
From 1 to 5 years	7,654	8,072
From 6 to 10 years	219	628
From 11 to 20 years	3,230	2,564
From 21 to 30 years	1,297	4
No expiration date	288,267	256,878
TOTAL	**300,667**	**268,146**

Not all the tax assets included in the table have been recognized by the Group. The recognized tax assets amounted to EUR 76,861 thousand in 2025 (2024: EUR 99,021 thousand).

The distribution by country of the recognized tax assets derived from tax loss carryforwards is as follows:

(Amounts in thousands of euros)

	2025	2024
Spain	21,100	62,470
South Africa	46,584	29,018
USA	1,065	902
France	1,851	2,038
Poland	69	5
Italy	1,270	1,969
Sweden	2,443	2,271
Chile	215	221
Colombia	110	127
Portugal	47	
Mexico	1,833	
Argentina	249	
Dubai	25	0
TOTAL	**76,861**	**99,021**

This year, tax credits recognized have decreased due mainly to the derecognition of tax credits recorded in Spain.

The Group has unrecognized tax assets amounting to EUR 226,806 thousand, equal to tax losses of EUR 895 million, which were not recognized for accounting purposes as they did not meet the recognition criteria (2024: EUR 169,125 thousand of unrecognized tax assets, equal to losses of EUR 687 million).

In Spain, the temporary limitation on the offsetting of losses within the consolidated Group introduced for 2023 by Law 38/2022, of December 27 and extended to 2024 and 2025, has led to tax credits amounting to EUR 58,765 thousand.

The Group also has assets for unrecognized temporary differences of EUR 216.4 million (EUR 59.8 million in the previous year) arising from the accounting impairment of Acerinox, S.A.'s investments in some of its affiliates, which have not been recognized as the timing of their reversal is not known. These assets are not deductible until the assets giving rise to the related temporary difference are realized. The difference between 2025 and 2024 is due to the impairment of Acerinox, S.A.'s shareholdings in Acerinox Europa S.A. recorded during the year.

The Group Company North American Stainless is also entitled to tax relief for investments in assets that contribute to recycling. This relief is deducted from the calculation of the Kentucky State tax and amounted to EUR 496 million at year-end (year-end 2024: EUR 561 million). Of the total tax relief, EUR 14.9 million expire in 2028 and EUR 5 million expire in 2031. The rest are unlimited. Application of this relief is limited to 50% of the tax payable in the State of Kentucky, or USD 2.5 million/year. The Group only recognizes a deferred tax asset for assets arising from investments which mature and relate to a specific tax relief program approved in

2005 by the State of Kentucky (Major Credits Program). At year-end, EUR 5.7 million (2024: EUR 6.9 million) were recognized as deferred tax assets. The Group has used an additional EUR 451 thousand this year.

Deferred tax assets arising from deductions pending utilization, amounting to EUR 9,243 thousand (2024: EUR 21,990 thousand), relate mainly, except for the EUR 5.7 million mentioned in the preceding paragraph in relation to North American Stainless. The difference in the balance with regard to the previous year is due to the derecognition recorded as a result of the recoverability analysis performed.

20.3.3 Analysis of the recoverability of deferred tax assets

As indicated in Note 2.19, the Group recognizes in the consolidated statement of financial position the deferred tax assets arising from tax loss or tax credit carryforwards, provided that they are likely to be recoverable in a reasonable period of time, also taking into account the legally established limits for their use.

As stated in Note 4, the uncertainties caused by the geopolitical situation and the tariff wars provoked by the United States have negatively affected the European market, paralyzing investments and hindering demand recovery. The increase in imports has also exerted downward pressure on prices, which has made it difficult to meet the forecasts made at the end of last year and which justified capitalizing these credits.

That said, and in accordance with the provisions of the International Accounting Standard IAS 12 and following the ESMA guidelines (Public Statement ESMA32-63-743), the Group has valued the Deferred Tax Assets (DTA) from tax loss carryforwards (TLC) pending offset and deductions pending application.

At year-end, the Group entities that recorded capitalized tax credits in their financial statements are mainly the Spanish entities and Columbus Stainless, the Group's company in South Africa, which also recorded tax credits this year.

The assessment was based on the consideration of only objectively verifiable positive evidence that exceeded the 50% probability threshold ('more likely than not'). In this context, the Group has identified the following as positive and verifiable evidence: the parent company's receipt of dividends and the claims filed due to the declaration of the unconstitutionality of Royal Decree 3/2016, as explained in the 2024 financial statements. The dividends obtained by the parent company mainly come from entities based in the United States that have a proven track record of profitability. In addition, the protectionist measures implemented in the United States are also expected to produce good results in future years.

No tax planning actions are taken into account beyond the reversals of deferred taxes as determined by law.

In the case of the Spanish entities, the tax assets arise mainly from the consolidated tax group in Spain, which comprises all the Spanish Group companies with the exception of those established in the regions of Álava, Vizcaya and Guipúzcoa. Tax assets arising from tax loss carryforwards from the consolidated tax group in Spain amounted to EUR 245 million at year-end, of which EUR 226 million were not recognized as deferred tax assets. These losses have no time limit for offsetting.

This year, geopolitical instability and tariff disputes driven by the US have slowed investment in Europe, hampering market recovery. This is compounded by increased pressure from imports, which has pushed prices down.

Following a prudent criterion, and based on the recoverability analysis described above, it has been decided to partially derecognize the losses capitalized in previous years and not to record the credits associated with the losses for 2025.

With respect to Columbus, increase imports as a result of the global tariff crisis and the barriers imposed in certain countries has decreased Columbus's market share. Key end-use sectors underperformed compared to the prior year, reflecting weaker demand from both distributors and the automotive industry.

Columbus remains active and committed to increasing sales through new stainless steel and carbon steel applications, as well as lobbying for corrective trade measures against unfair imports.

The successful strategy followed by the company, which consists of balancing stainless-melting shop production with carbon steel for the domestic market, allows Columbus to be less exposed to the situation of the international markets. **Note 9.1** includes a detailed analysis of the assumptions considered in the five-year budgets prepared by management. These same budgets are the basis for the analysis of the recoverability of

the tax credits capitalized this year. With the approved budgets, the Group expects to recover the carry-forward tax losses within seven years and has therefore capitalized the corresponding tax credits.

With respect to the other European (retail) entities, the recognized tax assets primarily arose from the crisis years, and the amount thereof has been reduced since 2013 through the generation of profits, enabling their partial recovery. The transfer pricing policies adopted by the Group to remunerate and define transactions with distributors render it unlikely that those entities will suffer significant losses. The existence of a transfer pricing bilateral advance pricing agreement, extended until 2029, with similar entities and the various mutual agreements reached in various countries make it unlikely that the results of those entities will differ significantly from the projected results. Therefore, the conclusions reached are not expected to change. The Group analyzed the recoverability of the tax assets and concluded that, based on the estimated results, they are expected to be recoverable within a reasonable period of less than ten years.

20.4 Current tax

At December 31, 2025, there is a current income tax asset balance of EUR 28,246 thousand (2024: EUR 17,827 thousand) and a current income tax liability of EUR 21,014 thousand (2024: EUR 46,532 thousand).

20.5 Tax audits and years open for review

20.5.1 Tax audits

The detail of the status of each of the tax audits under way in 2025, or that were concluded but signed on a contested basis and are currently under appeal, is as follows:

Italy

Over the years, the subsidiary Acerinox Italia S.r.l. has been subject to various tax audits, which have focused mainly on the transfer pricing adjustments of its intragroup transactions. In relation to the 2007 to 2013, in October 2019 an agreement was reached to eliminate double taxation between the Spanish and Italian Authorities under the EEC/90/436 Convention of July 23, 1990. This agreement significantly reduced the initial adjustments and eliminated double taxation, resulting in refunds of quotas in Spain that were collected in 2020. However, the Group is currently pursuing claims in Spain relating to the recognition of late payment interest derived from such refunds. With respect to transactions with third countries (South Africa) for the same period, the Company closed negotiations by applying the criteria of the friendly agreements, which entailed a disbursement of EUR 3,010 thousand between installments and interest, which were already duly provisioned.

During 2025 the following payments were made: EUR 606 thousand related to 2007; EUR 84 thousand corresponding to 2008, and EUR 12 thousand related to 2009. These amounts include the tax liability, interest and collection fees, thus concluding these years.

For their part, the proceedings corresponding to 2014 and 2015 were resolved through Mutual Agreement Procedures notified in November 2021. These agreements involved the total elimination of adjustments for 2014 and a drastic reduction for 2015. As a result, in April 2022, the refund of installments and interest by the Spanish tax authorities materialized, as well as the increase of the tax loss carryforwards pending offset.

As for the 2016 financial year, and consistent with previous years' results, Acerinox Italia reported to the Milan Tax Commission on the agreements reached, the hearings having been postponed in order to formalize a closure on terms similar to the preceding ones.

For 2014, 2015 and 2016, although the adjustments with European Union entities are now final following acceptance of the mutual agreement procedures, the Group continues to negotiate with the Italian tax administration to close the adjustments relating to transactions with third countries. It is likely that these will be resolved under compromise criteria similar to those applied in previous years.

Regarding the most recent actions, following the 2017 inspection, the Company received an assessment with an adjustment of EUR 1.1 million in the taxable income. In view of this situation, the Group expressed its disagreement by filing pleadings with the Court of Milan and made a provisional payment of EUR 541 thousand, recorded pending the court's decision.

In May 2025, the refund of double taxation was requested through the activation of the Mutual Agreement Procedure (MAP) with Spain, which was accepted for processing and resolved by the competent authorities in December of the same year. The result of this negotiation, formally accepted by the Company in January 2026, reduced the initial adjustment from EUR 789 thousand to a final figure of EUR 465 thousand. In addition, during 2025, Acerinox Italia paid EUR 423 thousand in the 2024 financial year to regularize the use of tax loss carryforwards from previous years absorbed by the MAP adjustments, as well as EUR 119 thousand as a provisional collection pending the resolution of the appeal filed with the Milan Tax Court against the transfer pricing adjustments for that year. No additional payments were made in relation to this procedure in 2025. As of the date of issuance of these financial statements, the agreements are still pending execution.

In order to cover possible liabilities arising from these proceedings that are still open, the Company has recognized a provision for tax risks of EUR 3,301 thousand in its 2025 financial statements. This amount is considered sufficient to cover the estimated final liability, which amounts to EUR 1.88 million after deducting the payments already made during the year.

Germany

The tax audits of the VDM Group companies in Germany for the energy tax years 2020 and 2021 were completed in 2025 without significant adjustments.

In December 2024, the Company was notified of the initiation of an inspection procedure related to Corporate Income Tax and VAT for 2019-2021. At the end of the year, the inspection procedure is still in progress, having provided all the information requested and without having detected any item to be regularized.

The renewal of the previous bilateral valuation agreement between the Group's factories in Spain and the Group's distributor in Germany (Acerinox Deutschland GmbH) was received on December 23, 2025. This agreement sets the Group's transfer pricing policy between Acerinox Europa, Roldán and Inoxfil (in Spain) and Acerinox Deutschland (in Germany) from January 1, 2022 to December 31, 2029 and maintains the criteria that the Group applies in its sale and purchase transactions with its trading subsidiaries.

Spain

On June 30, 2025, Acerinox, S.A. and some of the companies that form part of the Spanish consolidated tax group were notified of the commencement of general tax inspections for Corporate Income Tax for 2020 to 2022, VAT, personal income tax and withholdings on account from June 2021 to December 2022.

At the end of the year, the inspection process was still underway and all the information requested was being provided.

Chile

On August 29, 2025, the Chilean Internal Revenue Service (SII) notified the Company of various assessments arising from an inspection process for the 2021 tax year amounting to EUR 1,692 thousand for First Category Tax (Corporate Income Tax) and Additional Tax.

Following the filing of a Voluntary Administrative Appeal (RAV), resolved on February 2, 2026, the definitive situation is as follows:

- First Category Tax (Corporate Income Tax): Almost all of the arguments relating to the cost of inventories were accepted after validation of the customs documentation provided. This resulted in a reduction of the initial charge by EUR 907 thousand, leaving an outstanding installment of EUR 480 thousand.
- Additional tax: The settlements for this concept were confirmed in full for a total of EUR 304 thousand.

The total amount derived from the different settlements amounts to EUR 785 thousand.

According to the analysis performed by our tax advisors in that country and based on the solid legal and factual arguments of the case, it is considered that the probability of success should be higher than the probability of loss, and therefore no provision has been recorded for this item.

20.5.2. Years open for review

Under current legislation, taxes cannot be deemed to have been definitively settled until the tax returns filed have been reviewed by the tax authorities or until the deadline for registration has expired.

Spain

Pursuant to the Spanish Corporate Income Tax Law, carry-forward tax losses declared in the tax returns for years open for review become statute-barred ten years from the day following the final day of the period established for filing the tax return or self-assessment for the tax period in which the right to offset arose. Once this period has elapsed, taxpayers must demonstrate that the carry-forward tax losses that they wish to offset, and the amount thereof, are appropriate by submitting the assessment or self-assessment and the accounting records, together with evidence that they were filed at the Commercial Registry within the aforementioned period.

At December 31, 2025 and 2024, Acerinox, S.A. and the companies in the consolidated tax group had all the taxes applicable to them open for review in relation to the following years:

Type of tax

	2025	2024
Corporate Income Tax	2017-2024	2017-2023
Value added tax	2021-2025	2021-2024
Customs duties	2022-2025	2021-2024
Personal income tax	2021-2025	2021-2024

Other countries

The other Group entities have the taxes for the years established by their respective local jurisdictions open for review. The Directors of the parent and of its subsidiaries do not expect that any significant additional liabilities will arise in the event of a tax audit.

NOTE 21 – RELATED PARTY BALANCES AND TRANSACTIONS

21.1 Related parties

The Consolidated Financial Statements include transactions performed with the following related parties:

- Key executives of the Group and members of the Boards of Directors of the various Group companies; and
- Significant shareholders of the parent.

Transactions performed between the Company and its subsidiaries, which are related parties, are carried out, from the standpoint of their subject-matter or terms and conditions, in the ordinary course of the Company's business activities and have been eliminated on consolidation. Therefore, they are not disclosed in this Note.

21.2 Related party transactions and balances

The only transactions carried out with related parties relate to the Directors and key Management personnel in payment for the functions performed, all of which are carried out on an arm's length basis.

a) Directors and key Management personnel

The remuneration received during the year by the twenty-five members of the Management Committee and who do not hold a position on the Board of Directors of Acerinox, S.A. amounts to EUR 8,854 thousand. Of this amount, EUR 5,998 thousand are salaries, EUR 1,882 thousand are variable remuneration corresponding to the previous year's results and EUR 974 thousand are benefits in kind, partly derived from the shares they received for completing the third cycle of the Multi-Year Remuneration Plan, as explained below.

The remuneration received in 2024 by the twenty-two members of the Management Committee and who do not hold a position on the Board of Directors of Acerinox, S.A. amounted to EUR 9,526 thousand. Of this amount, EUR 4,979 thousand related to salaries, EUR 3,172 thousand to variable remuneration based on the previous year's results and EUR 1,375 thousand to remuneration in kind.

The members of the Management Committee are those who report directly to the Chief Executive Officer and those who perform a corporate function in the company's Central Services without this direct reporting line, and their remuneration includes a clear system of management by objectives and a specific retention system.

The current Directors' Remuneration Policy was approved at the General Shareholder's Meeting of Acerinox held on April 22, 2024. Since this date, the Directors in their status as such ceased to receive allowances for attendance to the Boards and Board Committees, and began to receive a fixed annual remuneration for being Board members, in addition to another fixed annual remuneration for each Committee to which they belong, which will be higher in the case of the Chairmen of the Committees.

In 2025, the members of the Board of Directors of Acerinox, S.A., including those who also hold senior executive positions and sit on the Boards of Directors of other Group companies, earned EUR 2,978 thousand in fixed allowances, attendance fees, and fixed and variable salaries (based on the previous year's results), of which EUR 2,484 thousand related to salaries and fixed allowances for Directors, EUR 299 thousand to variable remuneration based on the previous year's results and EUR 195 thousand to remuneration in kind. In 2024, the remuneration received amounted to EUR 3,889 thousand, of which EUR 2,235 thousand related to salaries and fixed allowances of Directors, EUR 263 thousand to attendance fees, EUR 937 thousand to variable remuneration based on the previous year's results and EUR 454 thousand to remuneration in kind.

As regards the Chief Executive Officer's variable compensation, the metrics used for its calculation combined financial, environmental and other business aspects specified in the Annual Report on Directors' Compensation for the year.

In relation to the Multi-Year Remuneration or Long-Term Incentive (LTI) Plan, the terms and conditions of which are detailed in **Note 17.1.4**, the expense incurred in the year in relation to the Chief Executive Officer and Management Committee, the balancing entry of which is recognized under "other equity instruments", amounts to EUR 2,711 thousand, of which EUR 678 thousand relate to the Chief Executive Officer (2024: EUR 3,315 thousand, accrued by senior executives, of which EUR 745 thousand relate to the Chief Executive Officer). This year, a total of 84,840 shares were delivered (2024: 183,504 shares), after deducting applicable withholdings, of which 9,184 corresponded to the Chief Executive Officer (2024: 24,254). The difference between the amount recorded as other equity instruments corresponding to that cycle and the amount of shares finally delivered, amounting to EUR -648 thousand, has been recorded against equity under the "reserves" caption (2024: EUR -849 thousand).

There are obligations arising from certain senior managers retirement benefit arrangements amounting to EUR 13,669 thousand (2024: EUR 19,540 thousand), of which EUR 5,817 thousand correspond to the Chief Executive Officer (2024: EUR 5,648 thousand). The reason for the decrease in commitments is that two of the beneficiaries have left the company. Since these obligations were duly insured in both 2025 and 2024, and their estimated amount was covered by cash flows arising from the insurance policies taken out for this purpose, no liabilities were recognized in this connection. In 2025, the amount of EUR 454 thousand has been contributed to the insurance company (2024: EUR 681 thousand). There are no obligations contracted with proprietary or independent directors of Acerinox, S.A. At December 31, 2025 there are no advances or loans granted to or balances with members of the Board of Directors or senior management.

The Company's Directors and their related parties were not involved in any conflict of interest that had to be reported pursuant to Article 229 of the Consolidated Spanish Corporate Enterprises Act.

The Group has taken out a third-party liability insurance policy which covers the directors and senior management, as well as Group employees. The premium paid this year amounted to EUR 510 thousand (2024: EUR 590 thousand).

In 2025 and 2024, the members of the Board of Directors did not perform any transactions with the Company or with Group companies that were outside the normal course of business or were not on an arm's length basis.

b) Significant shareholders

The Acerinox Group has not entered into any related party transactions with any significant shareholders in 2025 or 2024.

NOTE 22 – AUDIT FEES

The General Shareholders' Meeting held on May 6, 2025 resolved to reappoint the auditors "PricewaterhouseCoopers Auditores, S.L." to perform the review and statutory audit of the Financial Statements of ACERINOX, S.A. and its Consolidated Group for 2025.

The detail of the fees and expenses incurred for services rendered by the audit firms that audited the Acerinox Group's financial statements in 2025 and 2024, respectively, and their associate firms, is as follows:

(Amounts in thousands of euros)

	2025			2024		
	PWC Auditores, S.L.	PWC International	TOTAL	PWC Auditores, S.L.	PWC International	TOTAL
For audit services	432	1,554	1,986	496	1,262	1,758
For tax advisory services		10	10		9	9
For other verification services	252	66	318	271	20	291
For other services		2	2			0
TOTAL	**684**	**1,632**	**2,316**	**767**	**1,291**	**2,058**

The increase in PWC International's audit services is partly due to the addition of Haynes to the Group.

"Other audit-related services" includes the limited review of the interim condensed Consolidated Financial Statements as at June 30, 2025 and 2024, the report on agreed-upon procedures regarding the system of Internal Control over Financial Reporting (ICFR) and the report on agreed-upon procedures relating to the achievement of the financial ratios required by the Borrowing Base Facility of Columbus Stainless and the ICO in Spain. The independent review of the non-financial information contained in the Consolidated Statement of Non-Financial Information in the Consolidated Group's Directors' Report is also included in other audit-related services.

The amounts detailed in the foregoing table include the total fees for services rendered in 2025 and 2024, irrespective of when they were billed.

Other audit firms billed the Group in 2025 for fees and expenses for audit services amounting to EUR 377 thousand (2024: EUR 371 thousand).

NOTE 23 – EVENTS AFTER THE REPORTING PERIOD

Interim dividend

The Acerinox Board of Directors, at their meeting of December 17, 2025, approved the distribution of an interim dividend for the year 2025 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 2025 was paid on January 23, 2026 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 2026.

New trade measures

As of January 1, 2026, the CBAM entered its operational phase. Importers must purchase CBAM certificates to cover the carbon emissions of their products. The price of these certificates is linked to the price of emission allowances on the European market (ETS).

Faced with the trade war with the United States and the diversion of Asian steel to Europe, in October 2025 the European Commission proposed a historic tightening of trade defense measures, which are expected to come into force on July 1, 2026. Progress is being made on these measures and, as of the date of publication of this report, they are pending final approval.

The repeal of reciprocal tariffs in the United States adds uncertainty to the market.

Consolidated Management Report

Fiscal year 2025

The Annual Corporate Governance Report (ACGR) and the Annual Report on Directors' Remuneration (ARDR) are included as part of the Consolidated Management Report and include the description of the internal control system on financial reporting. The ACGR and the ARDR can be consulted on the websites of the Spanish National Securities Market Commission (CNMV) and Acerinox, S.A.

In-house translation of the original Spanish version.
This version does not constitute an official translation.
In the event of any discrepancy, the original Spanish version prevails.

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1. Acerinox in figures

1.1 Key indicators | 1.2 Main figures

1. Acerinox in figures

1.1 Key indicators

15
Factories

52
Countries

9,139
Employees

Production volume

1,783,496
Metric tons of stainless steel

82,835
Metric tons of high-performance alloys

R&D

€26 million
Investment in research, development and innovation

Sustainability

15.2%
Reduction in LTIFR (accident frequency rate) compared to the previous year

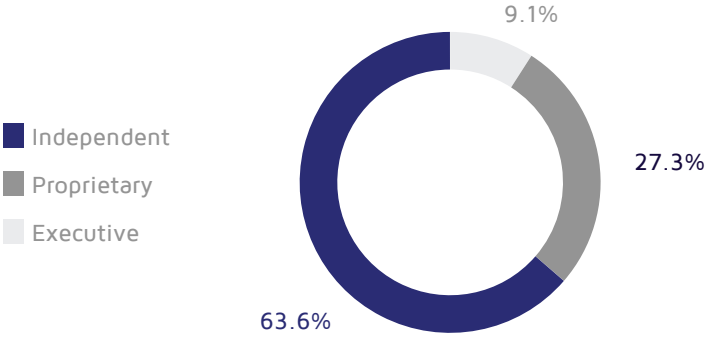
13.4%
Reduction in carbon intensity (including scopes 1 and 2) compared to the previous year

Board of Directors

63.6%
Independent directors

28
Board committees meetings

13
Meetings held by the Board of Directors



Products for all applications

Acerinox products stand out for their strength and versatility.

- They are widely used in transportation (air, road and rail) and
- are key in the chemical industry, renewable energies, construction, aerospace, and oil and gas industries.
- They are present in everyday objects like high-end household appliances, critical vehicle components, precision electronic devices, prostheses and medical instruments.

Economic performance

€5,781 million
Revenue

€-40 million
Net income

€354 million
EBITDA

€455 million
Operating cash flow

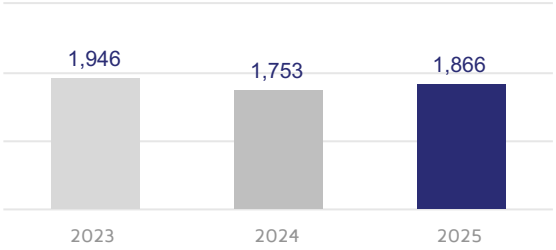
Our shares

249,335,371	Shares
€155 million	Dividend
€3,157 million	Market capitalization
€12.66/share	Share price at year end
€62,333,843	Share capital

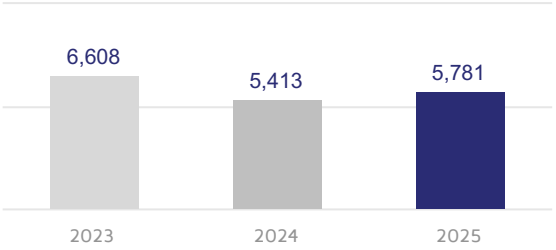
1.2 Key indicators

Performance in figures

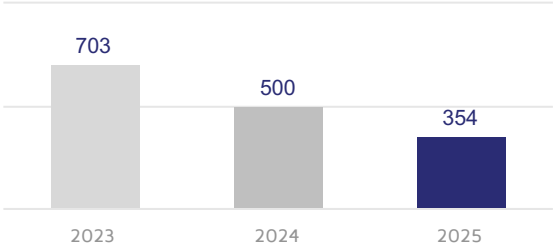
Melting shop production (thousands of metric tons)



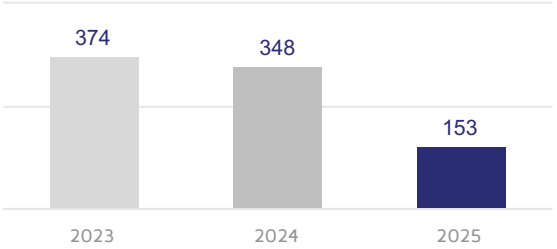
Revenue (€ million)



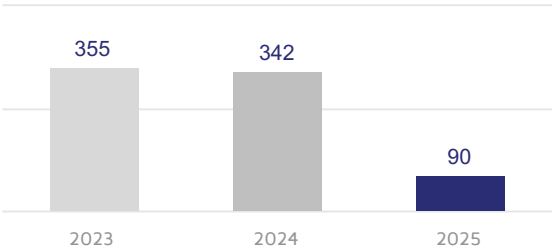
Gross operating income EBITDA (€ million)



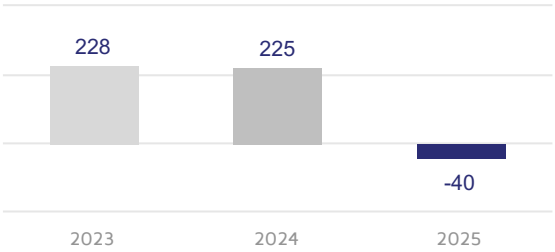
Net operating income EBIT (€ million)



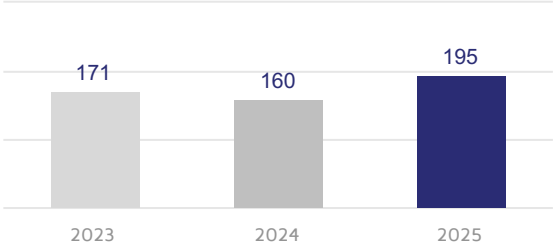
Pretax income (€ million)



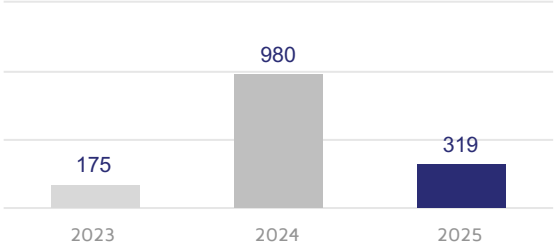
Profit after tax and non-controlling interests (€ million)



Depreciation and amortization charge (€ million)

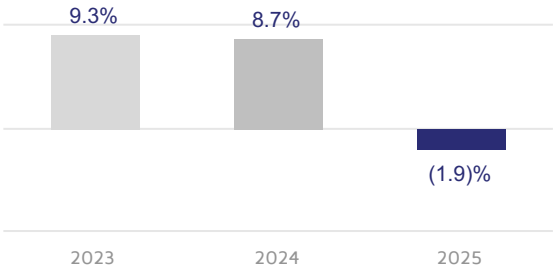


Investments (€ million)

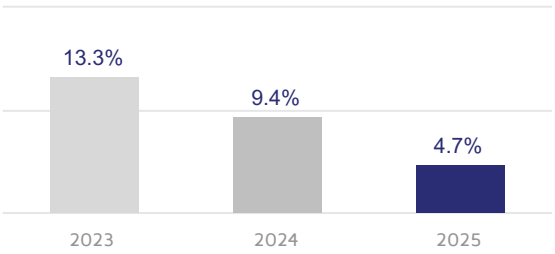


2024. Includes €769 million from the acquisition of Haynes International

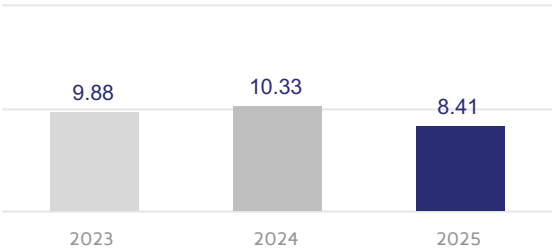
ROE (%)



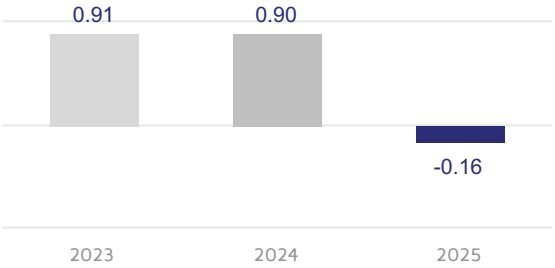
ROCE %



Share book value (€)

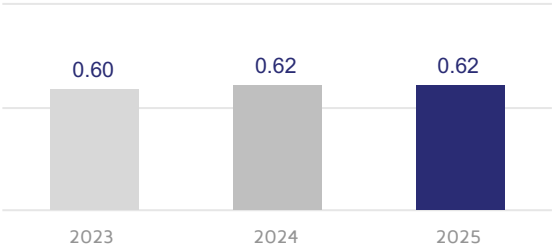


Earnings per share (€)

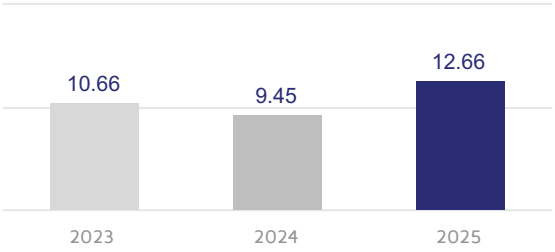


*Calculated based on the number of outstanding shares at year end

Shareholder remuneration per share (€)



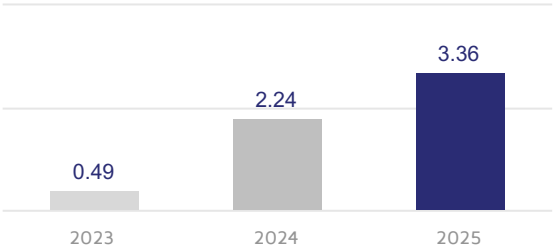
Share price at year-end (€)



Net financial debt (€ million)

2024. Not counting the acquisition of Haynes International and the payment of Bahru Stainless debt for its sale it would have been €219 million

Net debt / EBITDA (number of times)



2. About the Group

2.1 Who we are | 2.2 Creating value

2. About the Group

2.1 Who we are

Acerinox is an international manufacturer and distributor of stainless steel and high-performance alloys. Its production network comprises 15 factories on three continents. The Group is a leader in the United States and Africa and one of the best positioned companies in the sector in Europe. It is also a world leader in high-performance alloys.

It currently has an international commercial network consisting of:

28 Service centers

27 Warehouses

70 Sales offices

This sales network allows Acerinox to operate in 52 countries.

In its stainless steel division, the Group has five plants: three integral flat product plants (Acerinox Europa, North American Stainless and Columbus Stainless) and two long product plants (Roldan and Inoxfil).

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

The Group's high-performance alloys division (a world leader in this sector) is made up of VDM Metals, and Haynes International, which have 10 production sites in the US and Germany.

Acerinox's product sales are distributed through an extensive sales network in more than 80 countries across the five continents.

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. Acerinox, with its wide range of solutions, is present in key 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, Acerinox's products are ideal for a plethora of uses and sectors.

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 is located in Madrid, and is where the main decision-making and management bodies convene.

Acerinox stock is listed on the Madrid and Barcelona Stock Exchanges and the Company forms part of the IBEX 35 Index.

More than 46,000 shareholders, including individuals and legal entities, own stock in the company.

At December 31, 2025, Acerinox's share capital consisted of 249,335,371 ordinary shares with a par value of €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 strategy was strengthened in 2024 with 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

Factories	5	Service centers	17
	10		11
Warehouses	26	Sales offices	45
	1		25

Stainless steel division	High-performance alloys division

2.2. Production companies in 2025

Stainless steel

Acerinox Europa
Campo de Gibraltar (Spain)

1,692
employees

Fully integrated flat product factory

More information
Acerinox Europa

Roldán, S.A.
Ponferrada (Spain).

317
employees

Long product factory

More information
Roldán

Inoxfil S.A.
Igualada (Spain)

90
employees

Steel wire factory

More information
Inoxfil

North American Stainless
Kentucky (US)

1,677
employees

Fully integrated flat- and long-product factory.

More information
North American Stainless

Columbus Stainless
Middelburg (South Africa)

1,254
employees

Fully integrated flat product factory

More information
Columbus Stainless

High-performance alloys

VDM Metals

Unna, Duisburg, Siegen, Altena, and Werdohl, Germany

2,036

employees

High-performance alloys factory

More information
VDM Metals

Haynes International

Kokomo (Indiana), Arcadia (Luisiana) and Hendersonville (North Carolina) (USA)

1,309

employees

High-performance alloys factory

More information
Haynes International

EcoACX® The steel that changes the way things are done.

The result of a way of thinking that runs through the entire value chain.
A different way of manufacturing, of thinking, of doing.

Sustainability indicators

>90%
Recycled materials
Same quality, but more sustainable

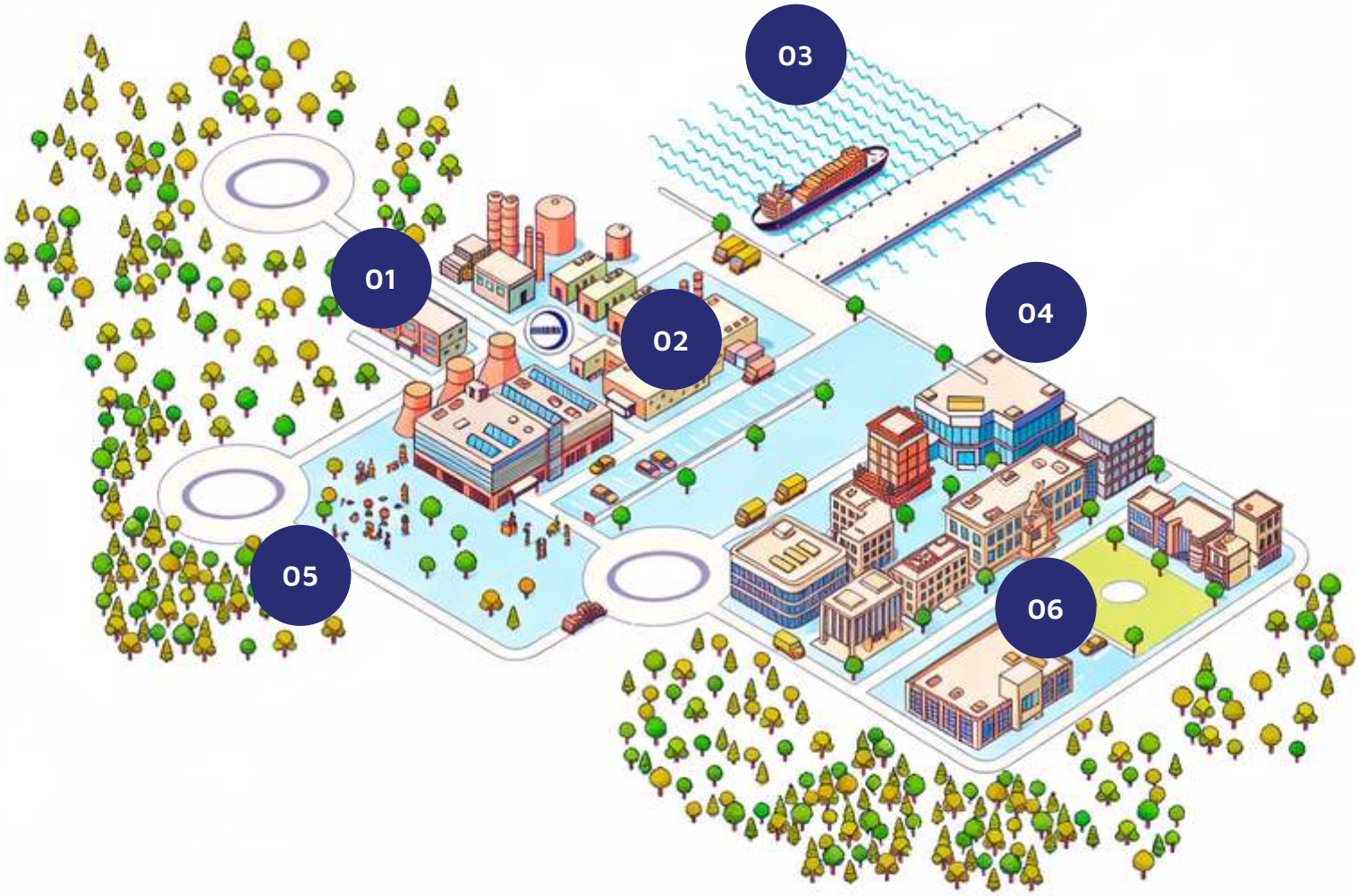
<50%
Carbon footprint
Less impact, more commitment

100%
Green energies
Made with energy that does not run out

2.3. 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. The value of its activity is reflected in the wide range of applications for its products, which are essential to development. Present across the entire value chain, Acerinox's solutions span from the domestic setting to the support of major infrastructure projects, consistently upholding the highest standards of quality and sustainability. The Group is continuously advancing in the diversification of its portfolio of durable and recyclable products.

In the exercise of its corporate responsibility, Acerinox views its tax obligations as a key driver for sustaining essential public services in the regions where it operates, thereby strengthening social welfare on a global scale. With this approach, the Company seeks to strike a balance between corporate growth and its commitment to environmental stewardship and social progress.



01 Investments

€26 million in R&D

€319 million in investments in non-current assets

02 Production

1,783,496 stainless steel metric tons

82,835 metric tons of high-performance alloys steel

03 Sales

13,345 customers

€5,781 million in sales to customers

04 Return

€523 million in taxes

€155 million in dividends

05 Impact

€0.9 million in social action

13.4% reduction in Scopes 1 and 2 CO_2 emissions compared to 2024

06 Community

€824 million on the salaries of 9,139 employees

€4,463 million in supplier expenses

3. 2025: The foundations for industrial resurgence

3.1 Geopolitical context | 3.2 Strategy

3.3 Relevant events | 3.4 Awards and prizes

3. 2025: The foundations for industrial resurgence

3.1 Geopolitical context

Situation in the US

Throughout 2025, steel protection measures in the United States have been significantly tightened under the US Administration, consolidating protectionist model grounded in national security.

The central measure has been the doubling of the tariffs originally introduced in 2018 within the Section 232. Since June 4, 2025, the US has applied a 50% tariff on most steel and aluminum imports, up from the previous 25%. In addition, in August 2025, the Department of Commerce added more than 400 categories of products containing steel (such as wind turbines, agricultural machinery and railcars), which also face the 50% tariff on their metal content.

Situation in Europe

The steel industry in Europe reached a critical turning point in 2025, and 2026 is shaping up to be the key year for an industrial resurgence following years of crisis. This resurgence is not just a market question, but the result of a commitment to reindustrialization and strategic autonomy.

The European Commission is supporting the steel industry through the Steel Action Plan, presented in March 2025. This initiative seeks to strengthen the competitiveness and sustainability of the iron and steel industry in Europe in a context of geopolitical uncertainty and global excess capacity.

In December, the Council of the European Union adopted a negotiating mandate with the European Parliament on the Regulation addressing the adverse effects of global overcapacity on the EU steel market. The new Regulation is designed to replace the existing steel safeguard measures, which are due to expire on June 30, 2026.

The European Union Council's mandate retains the main elements of the Commission's proposal, specifically a significant reduction in import quotas (capping duty-free import volumes at 18.3 million metric tons per year), representing a 47% reduction compared to current quotas (55% in the case of stainless steel), and an increase in the out-of-quota tariff to 50%, up from the current 25% safeguard tariff.

This measure is complemented by the CBAM (Carbon Border Adjustment Mechanism). Its aim is to ensure that steel (and other products) entering Europe pays the same price for CO_2 emissions as steel manufactured on European soil.

Starting in 2026, importers will be required to purchase CBAM certificates, the price of which is linked to the price of emission allowances on the European market (ETS). Furthermore, only companies with "authorized CBAM declarant" status may import affected goods.

3.2 Strategy

Acerinox expects the measures taken in the US and Europe to be a catalyst for its activity. In this complex environment, the Company is prepared to deal with a change in market conditions. It has remained faithful to its Strategic Plan, working to underpin the four principles that define it: excellence in all its operations, a commitment to higher value-added products, sustainability without losing sight of competitiveness, and financial soundness.

Impact of the measures on Acerinox

The measures taken by the current US administration favor American steel manufacturers and, therefore, Acerinox. This is because the US is home to its largest factory, North American Stainless, which is today the leading stainless steel company in the United States, both in terms of market share and competitiveness.

In Europe, Acerinox expects that the new measures will mark a decisive turning point for the industry. For the first time in recent years, the regulatory framework is aligned with the industrial realities of companies such as Acerinox, which have prioritized operational excellence and sustainability.

Although the Group remains appropriately cautious regarding a near-term recovery in underlying demand in Europe, the new trade measures and the CBAM mechanism establish a firmer competitive floor. These instruments not only mitigate unfair competition, but also act as a necessary catalyst to increase local business. Acerinox does not control market cycles, but it has built the right industrial model to maximize returns once economic activity normalizes.

Acerinox has built the right industrial model to **maximize returns** once economic activity normalizes.

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

Strategic Plan 2026-2030: Growth, efficiency and value crystallization

On the foundations of the Company's four corporate pillars - Excellence, Added Value, Sustainability and Financial Strength - Acerinox has established its Strategic Plan for the period 2026-2030. This new cycle not only seeks operational expansion, but also a transformation aimed at maximizing shareholder returns.

In the Added Value axis, the priority is to ensure the success of the expansion projects launched in the previous cycle. This involves completing capacity expansions at North American Stainless (NAS) and VDM Metals, as well as intensifying strategic investments in the United States to grow in key segments such as long product and aerospace. Furthermore, the effective integration of Haynes International will be decisive for the materialization of synergies and the strengthening of the high-performance alloys offering.

The Excellence pillar will play a key role in supporting the execution of this organic and inorganic growth plan. Acerinox plans to deploy the Beyond Excellence program in a cross-cutting way across all business areas, complemented by a rigorous working capital reduction plan. The freeing-up of resources resulting from these efficiency and cash optimization initiatives will contribute significantly to the financing of its strategic investments and compliance with the decarbonization road map towards the 2030 target, thus reinforcing the Group's financial strength.

3.3 Relevant events

2025 marks a key year of consolidation and strategic progress for the Company. The Group is making solid progress in capturing synergies from the acquisition of Haynes International, further strengthening its leadership in the high-performance alloys sector. The Company has also launched a new working capital reduction plan aimed at improving financial efficiency and optimizing resource management. The year is also characterized by substantial progress in executing expansion initiatives and advancing the Beyond Excellence operational efficiency program, which continues to enhance competitiveness and drive continuous improvement across all Group divisions.

A. Integration of Haynes International

In 2024, the Acerinox Group acquired Haynes International to strengthen its High Performance Alloys (HPA) Division and announced an investment of approximately $200 million to expand its U.S. production platform, increasing capacity and generating synergies with the stainless steel division.

Synergies

In 2025, Acerinox's "Triple A" investment decision (America, Alloys, Aerospace) proved to be right, even in a volatile market environment, supported by the commitment and close cooperation of all parties involved. Progress in integration and synergy capture reinforces the Company's initial estimate of $75 million in synergies.

The operational strength of the HPA division, combined with the stainless steel division's network, represents a significant opportunity. In recent months, extensive testing has confirmed the effectiveness of leveraging the Group's production capabilities across the Haynes, NAS, and VDM platforms. This integration enables, among other things, the development of new products and the expansion of the available size range.

Joint purchasing initiatives, supported by an expanded supplier network, have helped secure better terms and pricing for raw materials.

The first joint R&D projects have also been launched to support the Acerinox Group's long-term innovation pipeline.

In 2025, the synergies achieved totaled $11.7 million, as expected.

Strategic investments

In 2025, Acerinox announced an investment of approximately $200 million over the coming years in its new U.S. platform to expand its long products offering and strengthen its position in the aerospace sector, while also generating synergies.

- **VIM (Haynes International):** Regarding Vacuum Induction Melting (VIM) technology, procurement has begun for the long-lead components required for its installation. This type of furnace is essential for producing ultra-high-purity materials, as the melting process takes place in a vacuum chamber that eliminates external contamination and ensures the critical properties required in alloys for highly demanding applications.

- **Rotary forging (Haynes International):** The plant layout design has been finalized, defining the optimal equipment positioning to maximize workflow efficiency. A major milestone in the fabrication of the primary machinery has been reached with the casting of the forging frame. This component forms the structural base of the machine and is engineered to withstand the extremely high pressures required to shape the alloys. With the casting now complete, one of the most critical stages in the manufacturing process has been successfully concluded.

- **Finishing lines (Haynes International):** The selection of the primary equipment for processing high value-added bar products has been completed. The addition of a new bar peeling machine and a straightening machine is essential to ensure dimensional accuracy and product straightness, meeting the stringent quality standards of the aerospace sector.

- **Hot rolling equipment (NAS):** Long product hot rolling block that will allow the processing of special stainless steels and high-performance alloys at NAS.

B. Expansion projects

NAS expansion project

In January 2023, the Group announced an investment of $244 million in NAS to increase production capacity by 20%. The new equipment will be aimed at increasing the volume of flat product.

The NAS expansion project is in its third year of implementation:

The expansion phase of the melting shop has been completed and the facility is now fully operational. The AP2 annealing and pickling line underwent three major shutdowns in 2025 for the installation of the cooling chamber and shot blasting units.

Construction of the new cold rolling mill was completed in 2025, with commissioning scheduled for the first quarter of 2026. The first coil is expected to be produced in February. Finally, mechanical installation of the Skin-Pass finishing line is nearly complete, with electrical works scheduled for the first quarter of 2026.

VDM Metals expansion plan

Following the €67 million investment in VDM Metals announced in January 2024 to increase sales by 15%, the Group continues to advance in the execution of its strategic plan.

The new powder sprayer project at the Unna facility, the aim of which is to increase the production of powders for additive manufacturing, has overcome prior administrative delays and received the necessary regulatory approvals. Construction is scheduled to begin in February 2026, with full commissioning expected in the second quarter of 2027.

Welding wire production in Werdohl is operating since December 2024. At the same facility, the strip capacity expansion was completed on schedule and has been operational since August 2025.

Regarding other investments, the new bar production line in Altena remains on track to begin production in the first quarter of 2026. Finally, installation of the remelting plant in Unna is progressing as planned, with production expected to commence in the third quarter of 2026.

C. Beyond Excellence:

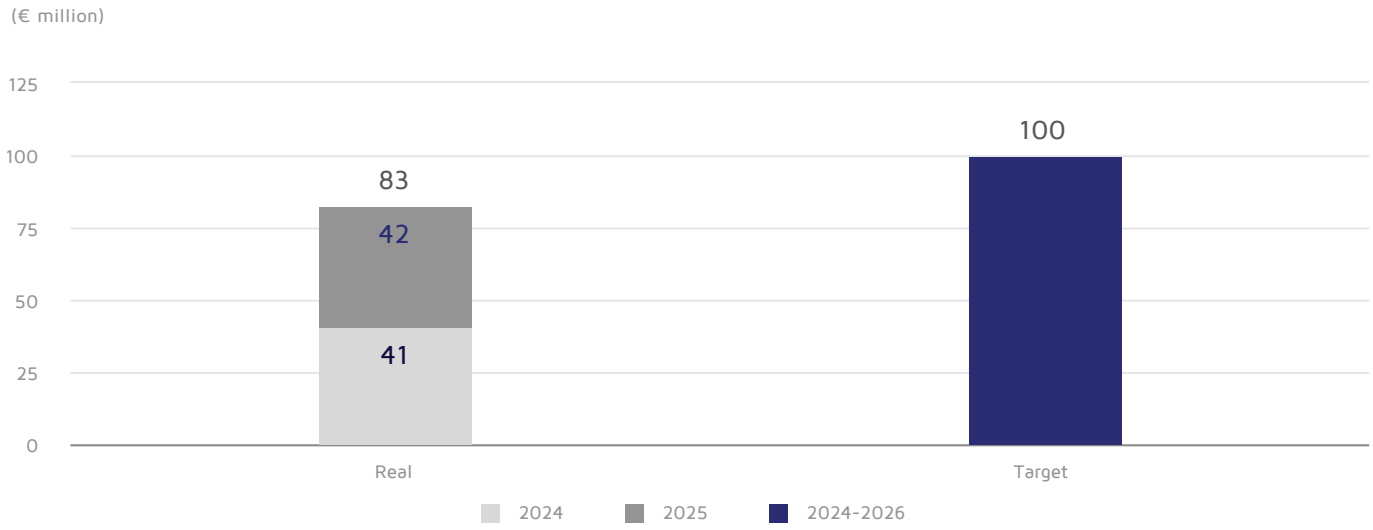
The Group is continuing its drive for operational excellence by developing the Beyond Excellence program from 2024 to 2026. Its purpose is to enhance competitiveness through new continuous improvement initiatives, supported by digital transformation, innovation, and cross-functional collaboration.

The strategic target of this plan is to achieve, on a three-year horizon, a recurring EBITDA improvement of €100 million. At the end of its second fiscal year, the program's execution consolidated an accumulated €83 million, including the €42 million contribution made in 2025. This development means the compliance rate is at 83% of the total, far exceeding the linear execution rate projected for the three-year period.

The breakdown of the results achieved in fiscal year 2025, in line with the six strategic pillars, together with selected highlight projects, is as follows:

- Productivity (€4 million): improvement and increase of equipment in the various workshops involved in the production process.
- Efficiency (€10 million): improving process performance, energy demand management projects. Optimization of the use of internal scrap generated during processes for subsequent reuse. Optimization of the raw material mix.
- Supply chain (€4 million): optimization of logistics costs. Diversification of nickel supply sources. Reduced dependence on ferroalloys purchases.
- Customer at the center (€17 million): increased customer satisfaction. Enhancements in predictive quality through advanced data analytics to reduce and eliminate material defects. A further key initiative is the installation of stirring systems in continuous casting, enabling improved homogenization and internal steel structure.
- Value-added products and R&D (€5 million): development and sale of new types of steel, in line with the Group's commercial strategy. Consolidation of the EcoACX® premium sustainable product line.
- Decarbonization (€2 million): optimizing energy consumption of pumps, compressors, etc., consequently reducing CO_2 emissions.

Beyond Excellence results:



D. Working capital reduction plan

Faced with an environment of geopolitical uncertainty, the Group launched a new working capital reduction plan for the years 2025 and 2026 as a strategic response. Operating cash flow generation was established as a top priority. The main goal of this approach is to ensure sufficient liquidity to finance the Group's ambitious strategic investment program—including the acquisition of Haynes International and the announced expansion initiatives—while maintaining shareholder returns without compromising balance sheet strength at the bottom of the economic cycle.

Operationally, the plan involves disciplined management of operating working capital, resulting in a cumulative reduction of €406 million compared to year-end 2024. This optimization has focused particularly on optimizing inventories along the entire supply chain.

E. Investment in R&D

Throughout 2025, Acerinox continued to develop new and enhanced value-added products, supported by more sustainable production pathways that contribute to a stronger future for both the industry and society.

Collaboration among the Group's R&D units (structured around expert clusters) fosters agility and cross-fertilization of ideas, enabling the rapid alignment of strategic and R&D initiatives with evolving market needs, including emerging technologies such as carbon and hydrogen, and the expansion of the portfolio by leveraging the Group's capabilities.

Ongoing technological transformation presents significant opportunities for Acerinox alloys.

Integration with Haynes is progressing as planned, with R&D combined teams aligning strategies and work programs to unlock the full potential of new high value-added products with differentiated value propositions.

Strong synergies have been identified in shared laboratory services, remelting simulations, and materials development.

R&D

Following the success of the initial "Materials for the Day after Tomorrow" cycle in 2024, the Company has launched its "Joint Capabilities for the Future" initiative. The main goal is to identify promising new market opportunities for advanced materials by integrating all of the Group's joint facilities into a cohesive, smart and globally connected production network.

F. EcoACX®: An even more sustainable stainless steel

Acerinox launched EcoACX® in 2024 as a direct response to industry demand for low-carbon solutions, enabling its customers to reduce their own Scope 3 emissions. During fiscal year 2025, the Company stepped up its communication efforts and commercial rollout.

EcoACX® represents the culmination of Acerinox's efforts to embed sustainability at the core of its operations, turning its environmental commitment into a tangible, high-value product underpinned by a methodology validated by an accredited third party. This value proposition rests on three key indicators that guarantee minimal environmental impact: the use of at least 90% recycled material, a reduction in CO_2 emissions of at least 50%, and the use of 100% renewable energy. These pillars enable the Company's customers to mitigate their Scope 3 emissions and advance with confidence toward decarbonization.

The technical robustness of this low-emission product is reflected in the successful manufacture of a broad range of grades. To date, Acerinox has successfully supplied products from the Austenitic (1.4301, 1.4307, 1.4404), Ferritic (1.4509), Duplex (1.4162) and Martensitic (1.4031, 1.4021) families. This versatility demonstrates that Acerinox's innovation makes it possible to maintain the highest levels of operational excellence and product quality while meeting the most demanding sustainability standards on the market.

The commercial response confirms that EcoACX® is a strategic line of growth for the Group. With an expanding customer base and a growing volume of metric tons sold, the project has achieved a sound reception in benchmark markets such as Scandinavia, Spain, Germany, Switzerland and the United Kingdom. Acerinox's purpose is to lead the way toward a sustainable future through a responsible supply chain delivering a low-impact product to customers who come together to be part of the solution for a more sustainable future.

3.4 Awards and prizes

The Acerinox Group consolidated its position as an industry leader through the multiple awards it received in 2025, which validate the soundness of its overall strategy. Beyond sustainability, these milestones highlight excellence in leadership, safety and health, commitment to quality employment and innovation in the marketplace. This overall performance endorses the company's firm commitment to long-term shared value creation and continuous improvement across all the regions where it operates.

At the 2025 **Stainless Steel Industry Awards**, the Group won the **Gold** Award in Market Development for its Vertex project (Thielmann Portinox), three **Silver** Awards in Sustainability (industrial oil recovery plant), New Technologies (JAG exchangers) and Safety (psychosocial management) by Acerinox Europa, in addition to a **Bronze** Award in Safety won by North American Stainless for its innovations in the casting area.

EcoVadis GOLD

GOLD distinction from EcoVadis, placing the Group among the top 5% of highest-rated companies for sustainability performance.

ISS ESG Prime

Prime rating from ISS ESG for sustainability performance above the sector average.

T-Seal for fiscal transparency

T Seal for Transparency in its highest category (three stars), awarded by the Haz Foundation, reflecting a firm commitment to tax transparency.

Company that boosts sustainable suppliers

"Promoter company" recognition under the Training Program: Sustainable Suppliers, run by the UN Global Compact, ICEX and the ICO Foundation.

Diversity Leading Company

Diversity recognition awarded by Equipos&Talento, certifying excellence in the management of inclusion, equity and diversity policies.

4. Economic performance

4.1 Global context | 4.2 Acerinox Production

4.3 Financial results | 4.4 Average supplier payment period

4.5 Acerinox shares | 4.6 Shareholder remuneration

4.7 Alternative Performance Measures (APMs)

4.8 Responsible tax policy | 4.9 Subsequent events

4. Economic performance

4.1 Global context

The year 2025 was again marked by uncertainties arising from geopolitical tensions, such as the continued conflict between Ukraine and Russia and the crisis in Gaza. In commercial terms, the year was marked by the adoption of policies promoting strategic autonomy and the protection of domestic industry. The US Administration implemented a universal tariff policy, while the EU responded with a proposal of trade defense measures aimed at mitigating the adverse effects of global overcapacity, specifically by limiting steel imports into the EU. In the uncertain, volatile environment caused by trade wars, industrial production has been negatively impacted.

Stainless steel sector

The stainless steel market maintained low levels of activity throughout 2025. The expected recovery following the prolonged period of inventory adjustment that began in the second half of 2022 failed to materialize, having driven inventories to all-time lows in both the US and Europe in 2024—levels that remained relatively stable throughout the year.

Stainless steel production continued its recovery in the United States, buoyed by regulatory changes under the US administration. In Europe, by contrast, demand contracted once again due to the impact of rising imports in anticipation of the CBAM measures taking effect on January 1, 2026, and the new trade measure set to replace the current safeguard measures no later than July 1, 2026, which are expected to have a positive impact on the sector.

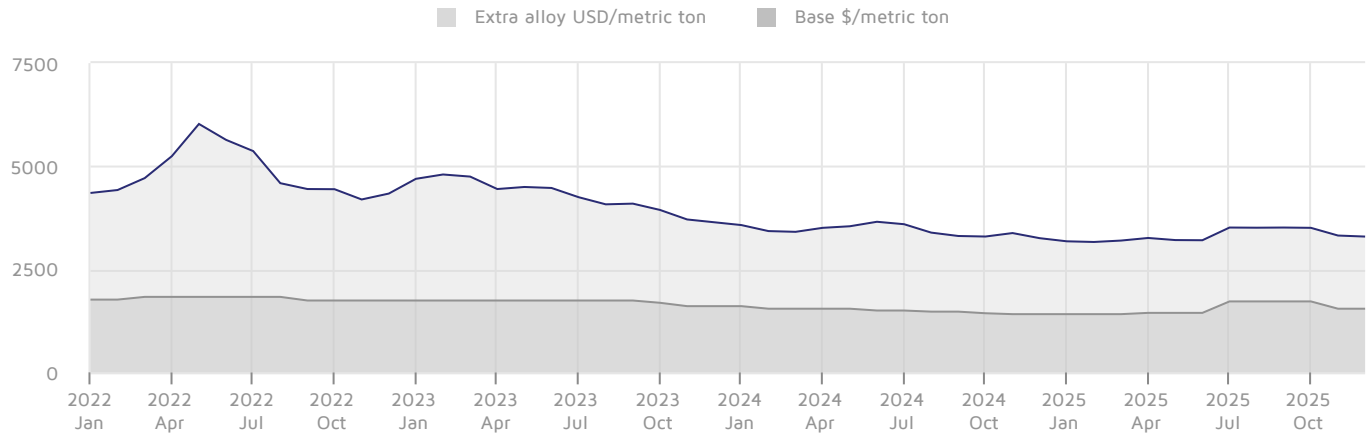
United States

The US market remained relatively flat year over year in terms of apparent consumption. However, local shipments recovered while imports declined following the changes introduced under Section 232 tariff measures during the first half of the year.

As a result, import penetration declined from levels above 25% in the first half to approximately 15% by year-end.

Changes to base price + extra in the United States

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

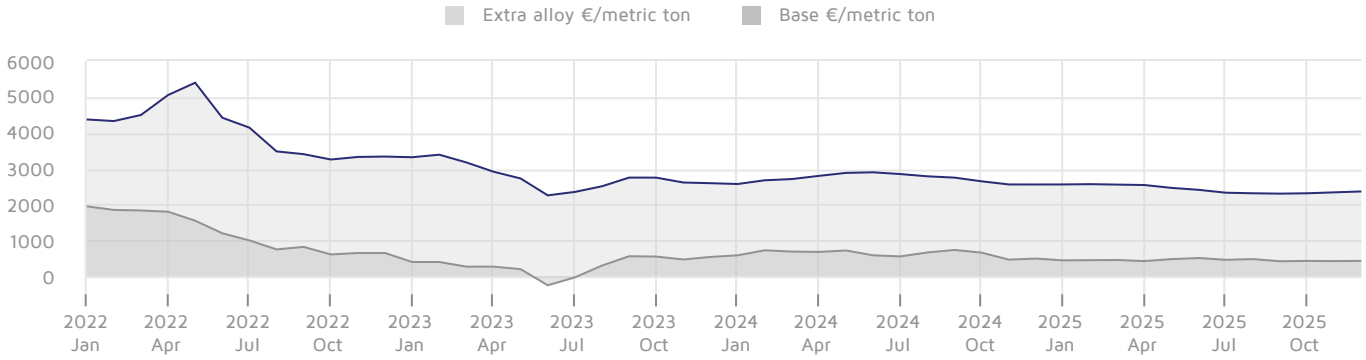


Europe

Apparent consumption in Europe increased by approximately 7% in 2025 compared to 2024; however, growth was primarily driven by imports in anticipation of regulatory changes in the European Union ahead of 2026. Imports reached nearly 25% market share, although Acerinox expects this level to decline to approximately 15% once the new trade defense measures takes effect.

Changes to base price + extra in Europe

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

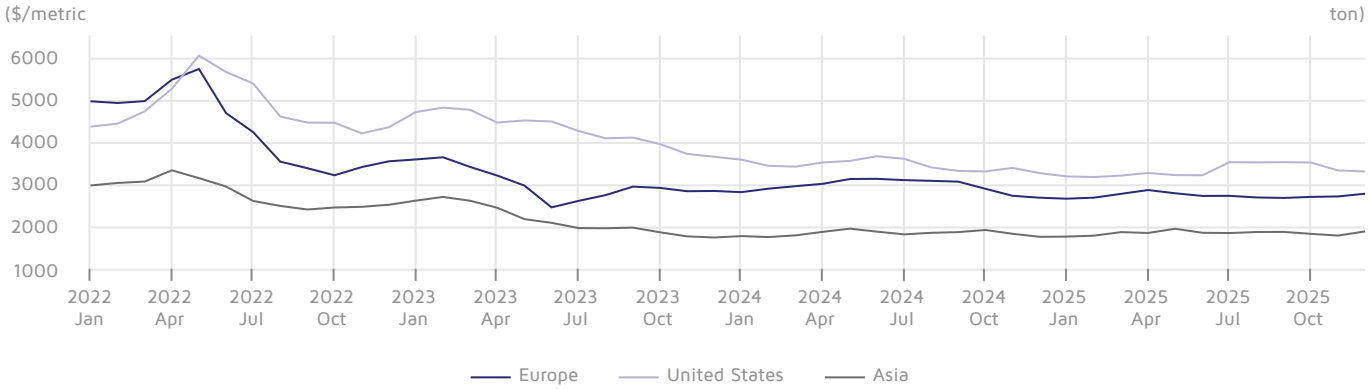


South Africa

The South African stainless steel market contracted in 2025, with apparent consumption declining by 12.8% year over year. The downturn was driven by an increase in imports, which rose from 4.8% in 2024 to 26% in 2025. The pressure of imports resulted in a decline in Columbus' market share. Key end-use sectors underperformed compared to the prior year, reflecting weaker demand from both distributors and the automotive industry.

Columbus remains focused on driving sales through the development of new stainless steel applications and advocating for corrective trade measures against unfair competition.

Price changes by region



The high-performance-alloys sector

The high-performance alloys market experienced a markedly weaker year compared to prior periods. Activity in the oil and gas sector remained subdued due to the absence of new projects.

Demand in the chemical industry was significantly weaker.

The automotive and electronics sectors remained stable; however, previously strong OLED and fuel cell applications recorded softer demand.

The aerospace sector—where Haynes International maintains a significant presence—continued to trend positively and outperformed 2024.

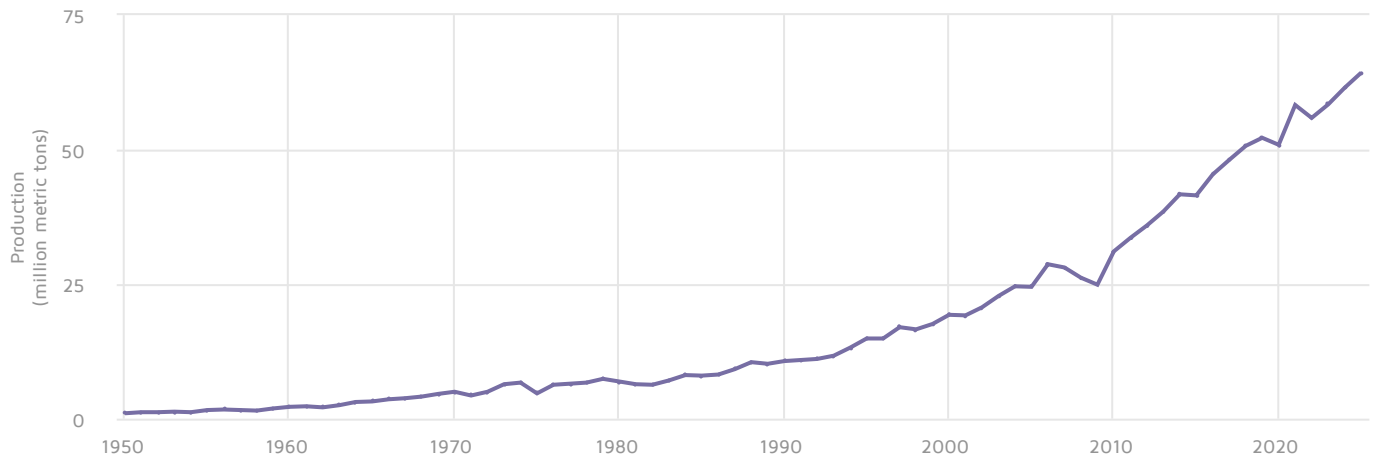
GDP growth (IMF - World Economic Outlook)

	2024	2025	2026
China	5.0	5.0	4.5
Germany	-0.5	0.2	1.1
India	6.5	7.3	6.4
South Africa	0.5	1.3	1.4
Spain	3.5	2.9	2.3
USA	2.8	2.1	2.4
ASEAN-5	4.6	4.2	4.2
Eurozone	0.9	1.4	1.3
World	3.3	3.3	3.3

4.1.1 Global production

Source: World Stainless and Acerinox

Global stainless steel production (millions of metric tons) 1950 – 2025



Global melting shop production (thousands of metric tons)

	Q1	Q2	Q3	Q4	Total
2024	15,045	15,869	15,708	16,198	**62,820**
2025	15,579	16,373	16,062	16,275	**64,289**

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

	2024	2025	Variation
Europe	6,085	6,038	-1%
USA	1,950	2,098	8%
China	39,441	40,870	4%
India	4,323	4,544	5%
Japan	2,274	2,290	1%
Other	8,748	8,448	-3%
Total	**62,821**	**64,288**	**2%**

In 2025, the combined output of China and Indonesia represented 71% of total global production.

4.1.2 Raw materials

Nickel

Official price on the LME. 2024– 2025

Average spot price / three months in $/metric ton

At the start of 2025, nickel prices posted a modest recovery, rising above $16,000 in March. In early April, however, prices fell sharply below $14,000, driven primarily by concerns that new tariffs could dampen demand in the base metals sector, particularly in the United States.

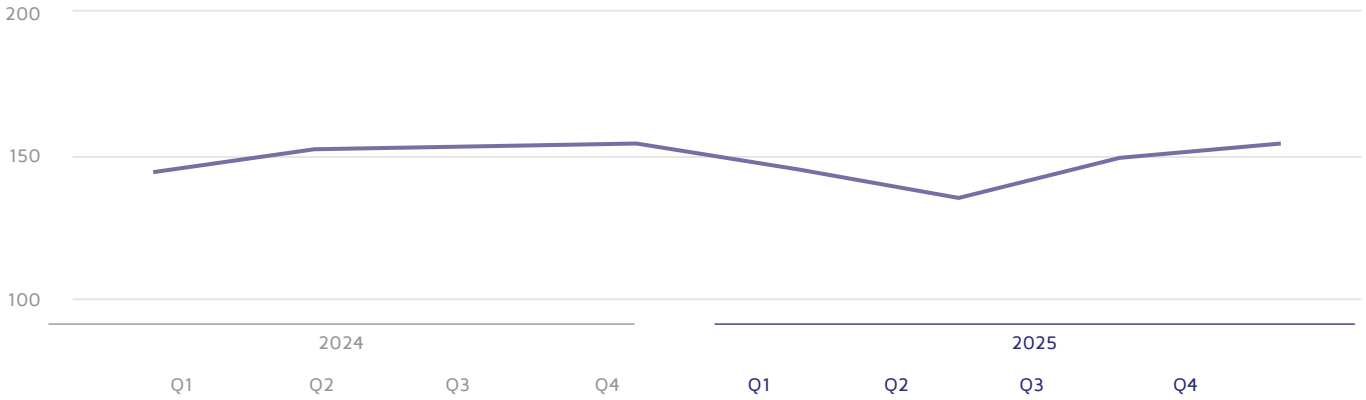
Prices subsequently stabilized around $15,000, reflecting a balance between global oversupply and regulatory uncertainty in Indonesia. Nickel remained broadly stable through year-end. Toward the close of the year, renewed concerns over potential restrictions on nickel ore supply in Indonesia pushed prices back above $16,500.

Throughout 2025, rising inventories on metal exchanges once again played a key role, driven by the continued inflow of nickel cathodes from new production capacity in China and Indonesia.

Ferrochrome

Average quarterly ferrochrome price. 2024-2025

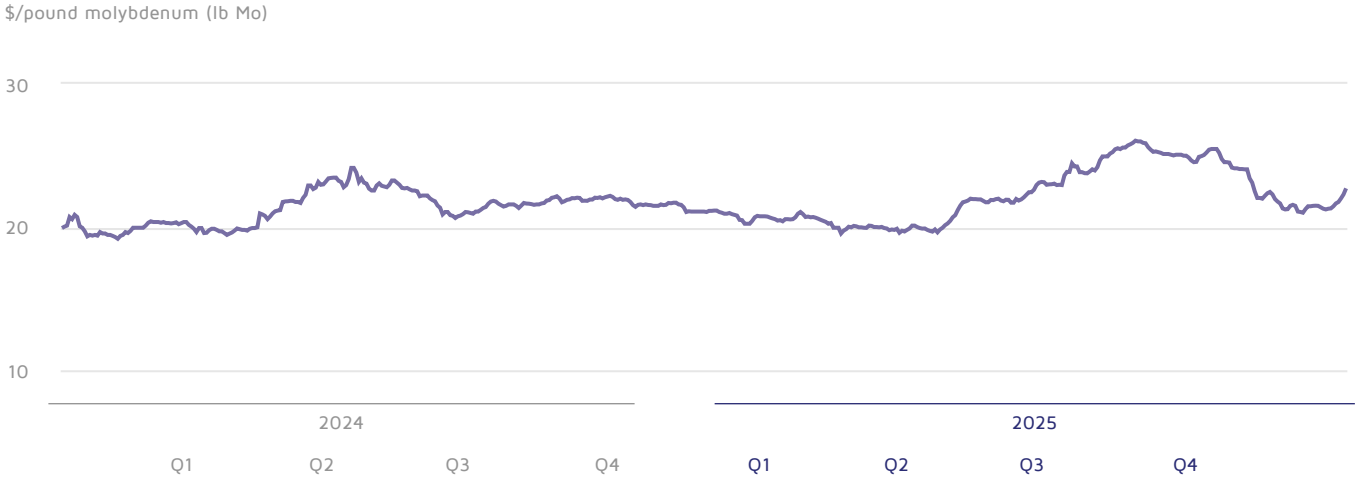
US cent (USc) / pound chrome (lb Cr)



Fiscal year 2025 was marked by the critical situation in South Africa, where the shutdown of the vast majority of ferrochrome furnaces led to a notable decline in global supply. However, weak demand acted as a counterweight, keeping prices stable despite the significant annual production shortfall.

Molybdenum

2024– 2025

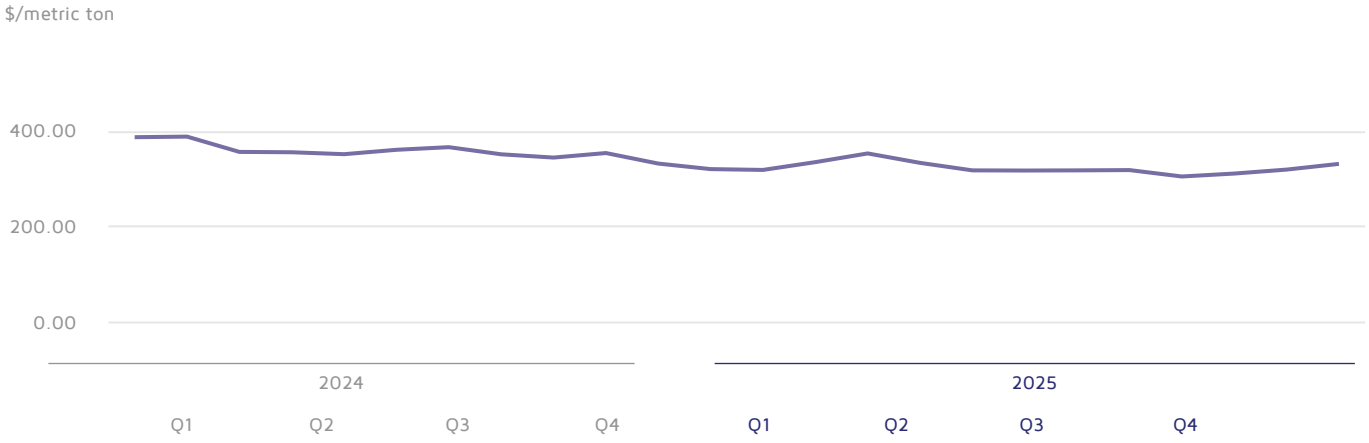


During the first half of the year, prices remained stable. It was in the third quarter that the price rose above USD25/lb, driven by a reduction in global concentrate supply and a pickup in demand from Asian steelmakers, reaching its peak in early September.

Ferrous scrap

Price of ferrous scrap HMS 1&2 FOB Rotterdam (monthly averages). 2024-2025

In 2025, ferrous scrap began the year on an upward trend, surpassing USD350/metric ton in March. However, this trend reversed, reaching an annual low of USD300/metric ton in September as the industry prioritized imports of semi-finished products over the use of scrap. The year closed with a recovery toward $330/metric ton, driven by improved production expectations in Turkey.



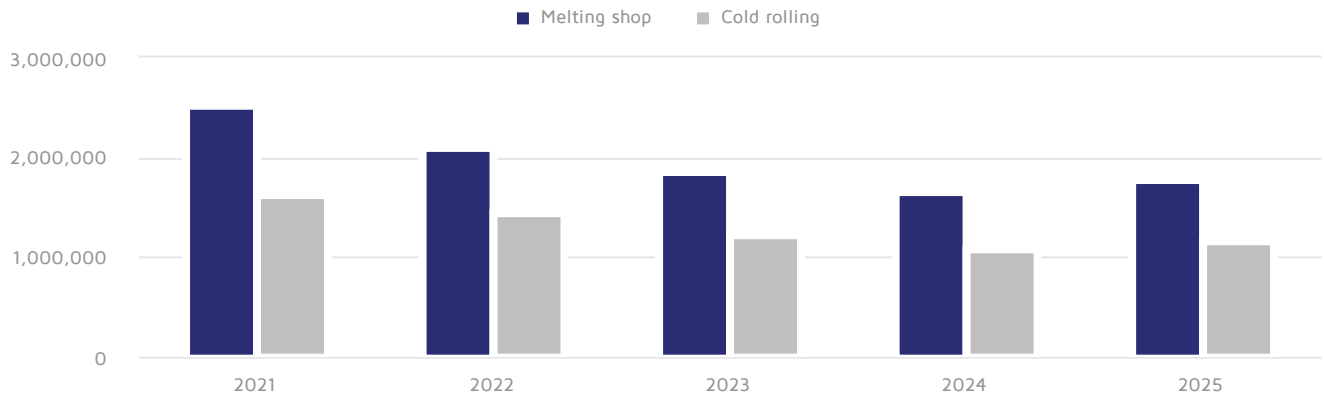
HMS: Heavy melting steel FOB: Free on Board

4.2 Acerinox Production

The Company produced 1.9 millions metric tons in 2025. Of these, 1,783 metric tons were produced by the stainless steel division and 83 metric tons by the high-performance alloys division.

The growth in melt shop production in 2025 (6.5%) was primarily attributable to a base effect, given that 2024 had been impacted by the strike at the Acerinox Europa plant and the minimal contribution of Haynes International to the Group's consolidated figures following its acquisition in the final month of the fiscal year. These factors resulted in higher figures despite a challenging market environment characterized by weak demand in Europe, South Africa and the United States.

Changes in total production of stainless steel division factories (metric tons)



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

	2025				Accumulated	2024	Variation 2025 - 2024
	Q1	Q2	Q3	Q4		Jan-Dec	
Melting shop	488	480	431	385	1,783	1,674	6.5%
Cold rolling	306	318	286	250	1,160	1,088	6.7%
Long products (hot rolling)	39	42	32	31	144	140	3.4%

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

	2025				Accumulated	2024	Variation 2025 - 2024
	Q1	Q2	Q3	Q4		Jan-Dec	
Melting shop	24	21	20	18	83	78	5.8%
Finishing shop	13	12	11	10	47	42	12.3%

4.3 Financial results

Key indicators

€5,781 million
Revenue

€422 million
Adjusted EBITDA

€-40 million
Net income

€455 million
Operating cash flow

€1,189 million
Net financial debt

5%
ROCE

Group's consolidated results

In an environment conditioned by low demand and high global macroeconomic uncertainty, the results obtained by Acerinox in 2025 affirm the Group's structural resilience. The strength of the business model has been particularly clear in the US market, acting as a strategic counterweight to the complexities of other geographies.

In contrast to fiscal year 2024, 2025 was marked by a return to operational normality at the European plants following the resolution of the previous labor disputes. However, this return to activity has faced an adverse sectoral environment, characterized by weakened final demand and competitive pressure intensified by imports. These factors have led to a sustained decline in sale prices.

The following aspects of Acerinox's results should be highlighted:

A) The Group reported consolidated revenue of €5,781 million, an increase of 7% over the previous year. Despite this growth in revenue, adjusted EBITDA came in at €354 million (€445 million in 2024), reflecting the narrowing of margins resulting from the aforementioned price environment.

B) A key aspect of the year was the quick adaptation of Haynes International within the Group. Their integration has proven to be a complete success, confirming the success of the acquisition and diversification into higher value added segments.

C) Operating cash flow management has been exceptional, reaching €455 million. This milestone is a direct result of a working capital reduction plan, which reduced the same by €406 million. Of particular note is inventory management, whose €383 million inventory write-down injected crucial liquidity into the balance sheet.

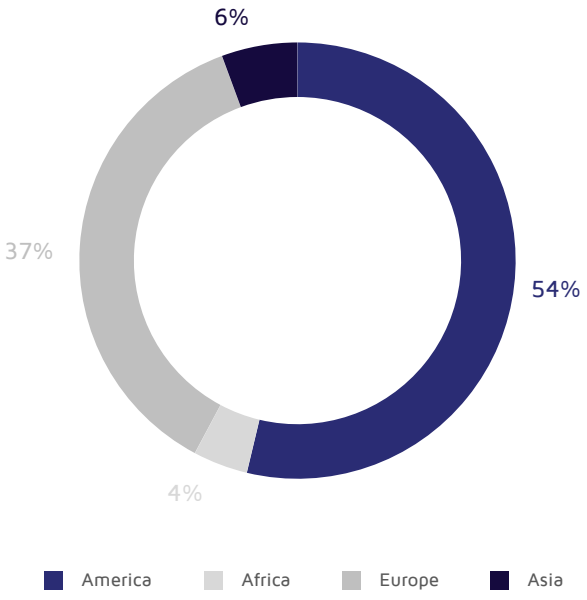
D) Net financial debt closed the year at €1,189 million, a marginal increase of €68 million compared to year-end 2024.

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

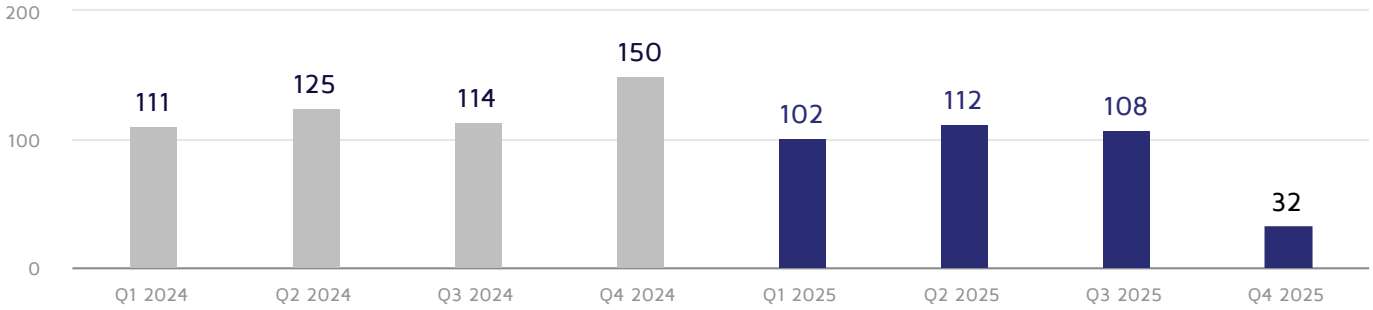
€ million	2025	2024	25/24
Melting shop production (thousands of metric tons)	1,866	1,753	6%
Net sales	5,781	5,413	7%
EBITDA	354	500	-29%
EBITDA margin	6%	9%	
Adjusted EBITDA	422	445	-5%
% Adjusted margin	7%	8%	
EBIT	153	348	-56%
EBIT margin	3%	6%	
Pretax income	90	342	-74%
Profit after tax and non-controlling interests	-40	225	---
Operating cash flow	455	294	55%
Net financial debt	1,189	1,120	6%

(*) In 2024: If we take into account the impact of the Acerinox Europa strike (€84 million), adjusted EBITDA would have been €529 million.

Geographic distribution of sales



Quarterly EBITDA performance in 2024 and 2025 - € million



Despite low demand, the Group managed to earn a solid EBITDA of €354 million, showing its resilience in a complex market environment. This result was 29% less than that of 2024. The EBITDA margin rose to 6%. EBITDA for the year was affected by the following extraordinary matters:

- Provision of €9 million for Acerinox Europa's Staff Rejuvenation Plan.
- Adjustment of inventories in the amount of €60 million.

Adjusted EBITDA (net of the aforementioned items) was €422 million. The margin on sales was 7%.

Amortization, at €195 million, was 22% lower than in the previous year.

Operating profit (EBIT) was €153 million, compared to €348 million in 2024.

Earnings before tax amounted to €90 million (€342 million in 2024). After recognizing an impairment of tax credits of €48 million in June 2025, profit after tax and non-controlling interests was €-40 million.

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 €455 million. This solid performance was made possible by excellent management of working capital, which was reduced by €406 million (€71 million reduction from the previous year). This optimization is primarily attributable to a reduction in inventories of €383 million.

Acerinox generated operating cash flow of €455 million in 2025, with a notable €383 million reduction in inventories.

In addition to the EBITDA generated and the reduction in working capital, other notable cash movements during the fiscal year include:

- Investments (CAPEX): €311 million was allocated to the execution of strategic plans, primarily at NAS and VDM (compared to €205 million in 2024).
- Sale of Bahru Stainless: A positive cash flow of €68 million was received as the last part of the payment derived from the divestiture of this non-strategic asset.
- Shareholder remuneration: €155 million in dividends were paid out during the year.
- Net financial debt: At December 31, 2025, the Group's net financial debt stood at €1,189 million, an increase of €68 million compared to the end of 2024. Negative exchange differences of €126 million were generated, mainly due to the 13% depreciation of the dollar against the euro.

Cash flow - € million

€ million	2025	2024
EBITDA	354	500
Changes in working capital	406	71
Corporate income tax	-161	-131
Finance costs	-47	-10
Other adjustments	-95	-136
OPERATING CASH FLOW	455	294
Payment for the purchase of Haynes International	0	-769
Sale of Bahru Stainless	68	18
Payments due to investment	-311	-205
FREE CASH FLOW	213	-662
Dividends and treasury shares	-155	-156
CASH FLOW AFTER DIVIDENDS	58	-818
Translation differences	-126	90
Haynes acquired net financial debt		-51
Changes in net financial debt	-68	-779

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

Shareholder remuneration amounted to €155 million in ordinary dividends, as a cash payment of €0.62 per share was made, which represents a return of 5% (compared to the closing price at year-end, €12.66).

Statement of financial position and financing

The balance sheet situation in fiscal year 2025 was more stable than in 2024, which was marked by the acquisition of Haynes International. Among others, the most notable items were the following:

- Reduction in inventories and trade receivables.
- Equity: A 19% reduction impacted by the depreciation of the dollar.

ASSETS

€ million	2025	2024*	Variation
Non-current assets	2,383	2,415	-1%
Current assets	3,238	4,053	-20%
Inventories	1,679	2,062	-19%
Receivables	541	606	-11%
Customers	476	551	-14%
Other receivables	65	55	18%
Cash	970	1,263	-23%
Other current financial assets	48	123	-61%
Total assets	**5,621**	**6,467**	**-13%**

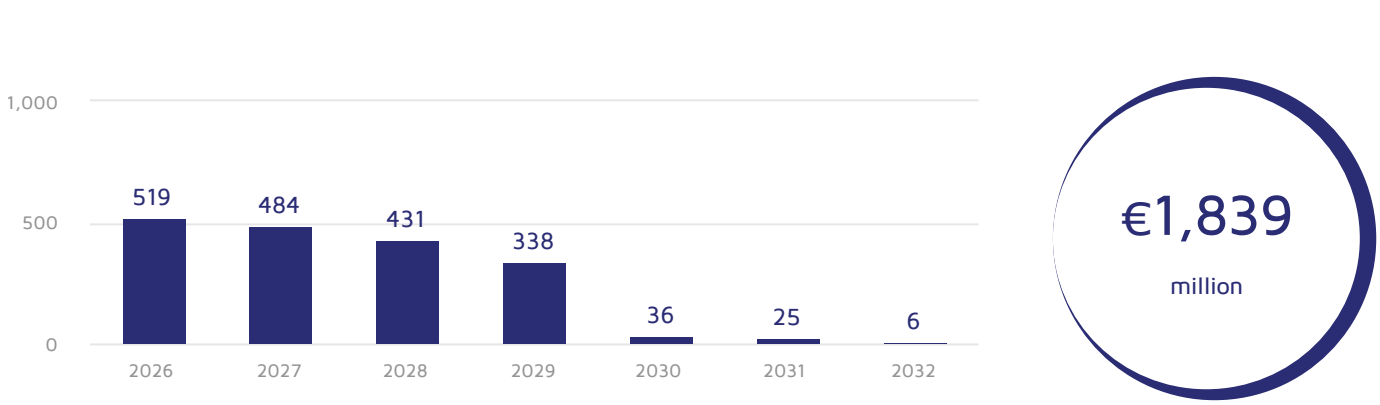
LIABILITIES

€ million	2025	2024*	Variation
Equity	2,098	2,575	-19%
Non-current liabilities	1,809	2,015	-10%
Bank borrowings	1,322	1,464	-10%
Other non-current liabilities	487	551	-12%
Current liabilities	1,714	1,877	-9%
Bank borrowings	837	919	-9%
Trade payables	614	666	-8%
Other current liabilities	263	292	-10%
Total Liabilities	**5,621**	**6,467**	**-13%**

(*) Figures for the year 2024 restated due to the closing of the provisional goodwill valuation under IFRS-3.

Net financial debt at December 31, 2025, €1,189 million, increased by €68 million (€1,120 million at December 31, 2024). This increase is driven by currency translation differences and dividend payments, largely offset by strong operating cash generation for the year.

Maturities of term debt



As in 2024, during 2025, 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 seven new long-term loans with various financial institutions for an amount of €236,5 million.

Renewal and extension of credit facilities up to a total amount of €525 million and $135 million.

Signing of 2 new loans by VDM for €40 million and 7 bilateral financing lines totaling up to €260 million.

Renewal of Syndicated Factoring in Spain until 2027 for a maximum amount of up to €380 million.

At year-end, the Group had sustainable financing lines totaling €701 million, linking their cost to the evolution of the indicators to be reviewed annually.

The Group's total gross debt at December 31, 2025 was €2,158 million, of which 51% was fixed interest rate debt (including debt contracted at floating interest rates but hedged with interest rate derivatives) and the remaining 49% was floating interest rate debt. More than 60% of the Group's total gross debt has a maturity of more than one year.

As of December 31, 2025, Acerinox had liquidity amounting to €1,716 million. Of this amount, €970 million corresponded to cash and short-term deposits and €746 million to available financing lines at various Group subsidiaries.

Results by division

Stainless steel division results

€ million	2025	2024	25/24
Melting shop production (thousands of metric tons)	1,783	1,674	7%
Net sales	4,119	4,100	—%
EBITDA	219	384	-43%
EBITDA margin	5%	9%	-43%
Depreciation and amortization charge	-119	-124	-4%
EBIT	96	267	-64%
EBIT margin	2%	7%	

Turnover increased by 7% over 2024, which was affected - as already mentioned - by the strike at Acerinox Europa.

EBITDA amounted to €219 million, 43% lower than in 2024, due to weak demand in the United States, Europe and South Africa. This figure includes an inventory adjustment of €48 million, and a provision of €9 million for Acerinox Europa's Staff Rejuvenation Plan.

For the year as a whole, operating cash flow of €269 million was generated, with a large reduction in working capital of €202 million.

Cash flow

€ million	2025	2024
EBITDA	219	384
Changes in working capital	202	13
Corporate income tax	-98	-130
Finance costs	-36	7
Other adjustments	-18	-119
OPERATING CASH FLOW	**269**	**154**

The figure for other "adjustments" in fiscal year 2024 included €146 million from the sale of Bahru Stainless, which affected EBITDA but did not result in cash inflows. In fiscal year 2025, this did provide €68 million of cash inflow during the second quarter.

High-performance alloys division results

€ million	2025	2024	25/24
Melting shop production (thousands of metric tons)	84	79	7%
Net sales	1,683	1,334	26%
EBITDA	135	117	15%
EBITDA margin	8%	9%	
Depreciation and amortization charge	-77	-36	112%
EBIT	58	81	-29%
EBIT margin	3%	6%	

Revenue from high-performance alloys reflects a 26% increase compared to 2024. This is due to the inclusion of Haynes, which contributed only one month to last year's results.

Also, the EBITDA generated, €135 million, was 15% higher than in the previous year. At year end, an inventory adjustment to net realizable value of €12 million was carried out.

Meanwhile, operating cash flow was €186 million, due to a decrease in working capital of €204 million.

Cash flow

€ million	2025	2024
EBITDA	135	117
Changes in working capital	204	58
Corporate income tax	-63	-1
Finance costs	-12	-18
Other adjustments	-77	-17
OPERATING CASH FLOW	**186**	**140**

4.4 Average supplier payment period

Act 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 financial statements. 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:

	2025	2024
	Days	Days
Average period of payment to suppliers	63 days	67 days
Ratio of operations settled	65 days	66 days
Ratio of transactions pending payment	44 days	72 days
€ thousand	**Amount**	**Amount**
Total payments made	1,257,041	1,108,598
Total outstanding payments	133,637	140,333

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

If we consider only domestic suppliers, since this is an Act applicable in Spain, the average payment period is reduced by 3 days as detailed below:

	2025	2024
	Days	Days
Average period of payment to suppliers	60 days	64 days
Ratio of operations settled	61 days	64 days
Ratio of transactions pending payment	49 days	63 days
€ thousand	Amount	Amount
Total payments made	838,266	642,355
Total outstanding payments	89,265	83,725

Last 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. With the exception of Acerinox Europa, the rest of the Group's Spanish companies all comply with the established payment periods of 60 days.

The supplementary information required by regulations is included below:

	2025	2024
a) Monetary volume of invoices paid within a period equal to or less than the maximum established in the regulations on late payment	512,492	467,243
Percentage share of total number of invoices of payments to its suppliers	41%	42%
b) Number of invoices paid within a period equal to or less than the maximum period established in the late payment regulations	19,064	21,395
Percentage share of total monetary payments to its suppliers	49%	38%

4.5 Acerinox shares

Acerinox's share capital during fiscal year 2025 was €62,333,843, represented by 249,335,371 shares with a par value of €0.25 per share.

Acerinox stock is listed on the Madrid and Barcelona Stock Exchanges, are traded on the continuous market, and form part of the IBEX 35 Index.

At December 31, 2025, Acerinox had a total of 46,017 shareholders.

Significant shareholders as of December 31, 2025

	% of voting rights assigned to the shares	% of voting rights through financial instruments	% of total voting rights
Company name	% Total (A)	% (B)	(A+B)
Corporación Financiera Alba, S.A.	19.29	0	19.29
Covalis Capital LLP	0	5.00	5.00
Covalis Capital Master Fund Ltd.	0	1.91	1.91
Covalis Capital Partners Master Fund Ltd.	0	1.96	1.96
Fundació Privada Daniel Bravo Andreu	5.71	0	5.71
Industrial Development Corporation (I.D.C.)	3.53	0	3.53

Domestic shareholders represent 59.3% of share capital
and foreign shareholders 40.7% of share capital.

Acquisition of treasury shares

The number of shares acquired as treasury shares in 2025 was 66,697 shares amounting to €718 thousand. In the aforementioned year, as part of the Company's Long-Term Incentive (LTI) Plans, a total of 84,840 treasury shares were delivered to Acerinox Group officers. Following the aforementioned share deliveries, as of December 31, 2025, Acerinox held a total of 7,000 treasury shares.

Analyst and investor relations

In accordance with the provisions of the General Policy on Communication, Contact and Engagement with Shareholders, Institutional Investors, Asset Managers, Financial Intermediaries and Proxy Advisers of Acerinox, S.A. and its corporate Group, Acerinox guarantees the market equal access to information through all the communication channels it makes available. The company website (www.acerinox.com) is the main channel through which information is shared.

Acerinox's communication policy is characterized by the principles of transparency, rigor, equal treatment, and immediacy and symmetry in the dissemination of information.

In 2025, Acerinox's Investor Relations team maintained continuous contact with the market. Highlights include more than 300 meetings with investors, 11 roadshows, attendance at 20 conferences and investor visits to factories. Among the most significant issues addressed in the contacts with investors and analysts in 2025 were the evolution of the markets by region, the protection measures in the United States and the European Union's plans to protect its market,

the decarbonization plan and capital allocation policies, while respecting the applicable regulations on insider information.

Any minority shareholder may contact the Shareholder's Office to make any request for information on Acerinox's performance. In turn, this Office provides shareholders with the necessary assistance in exercising their rights and, in particular, in connection with the General Shareholders' Meeting.

Share price performance

Throughout 2025, stock markets were characterized by high volatility, mainly affected by the following circumstances:

- The beginning of the cycle of interest rate cuts by the ECB and the Fed in the United States.
- The resilience of the Spanish economy and domestic consumption.
- Stabilization of energy costs after the volatility of previous years.
- The boost provided by the defense and banking sectors to the national index.

This scenario allowed the IBEX 35 to lead global growth with a revaluation of 49%, placing it well above the main international indicators. According to year-end data, the Spanish selective index saw twice the performance of the NASDAQ-100 (21%) and the S&P 100 (20%), and four times the gains of leading European indexes like the Euro STOXX 50 (12%) or the France CAC 40 (10%).

However, it is important to note that this record gain in the Spanish market was markedly asymmetric by sector. Growth was heavily concentrated in the financial sector, which generated a "two-speed" scenario. While the overall index reflected record highs above 17,300, the manufacturing industry and other sectors with greater exposure to operating costs performed more moderately. This disparity explains why, despite strong macroeconomic indicators, stock market dynamism in 2025 did not cut across all sectors of the real economy.

Performance of the world's main indexes in 2025:

	2025
IBEX 35	49%
Industrial DJ	13%
Nikkei	18%
France CAC 40	10%
Euro STOXX 50	12%
Germany DAX	15%
Ftse MIB	22%
CSI 300	18%
S&P 100	20%
NASDAQ-100 Index	21%

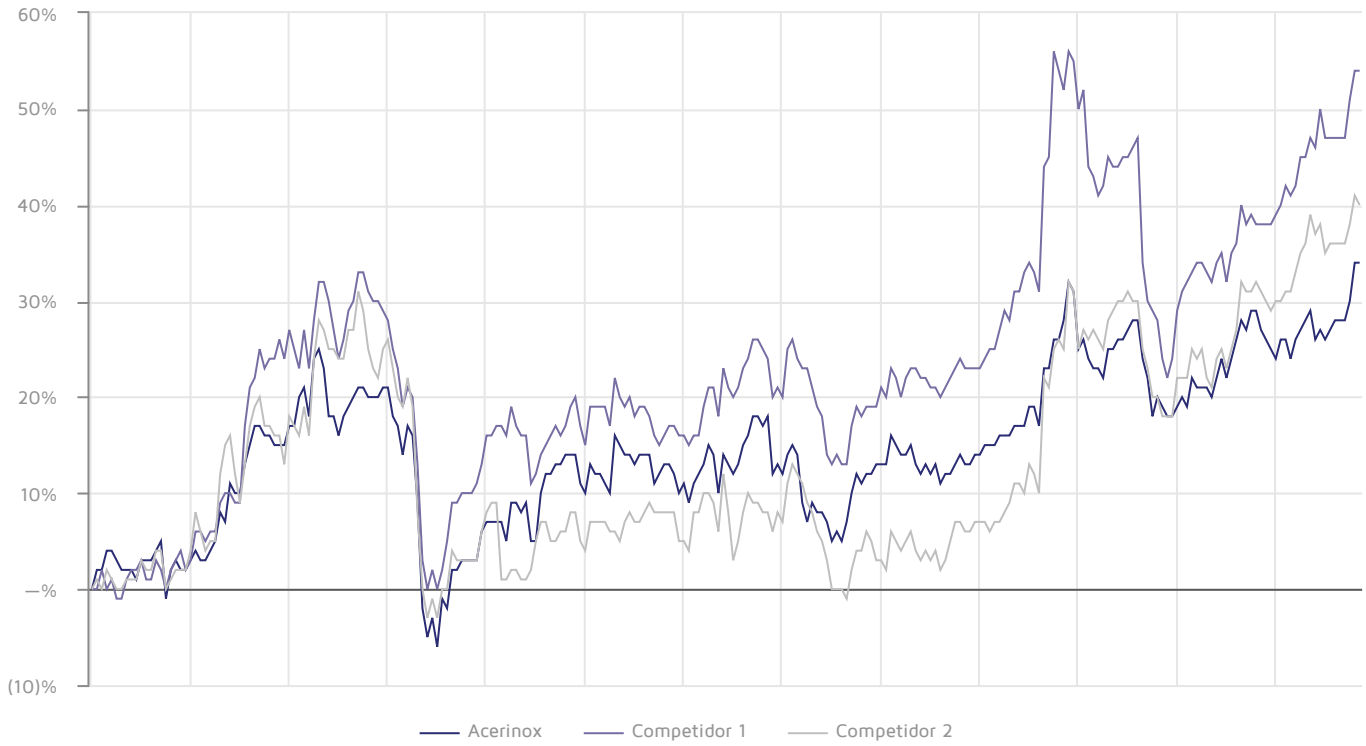
Acerinox stock experienced a progressive recovery over the year, closing the year at €12.66/share. The start of the year was shaky. Weak demand in the stainless steel sector in Europe and the negative impact of the exchange rate (depreciation of the dollar against the euro) affected second quarter results, even pushing the stock to a low near €9.11 in April. Since the summer, the stock has regained traction. It was aided by its market strength in the United States (where prices evolved positively) and the improvement all European producers may see from measures that the European Union will implement in 2026 (especially the CBAM and the new tariffs). The end of the year, close to its annual highs, was supported by most analysts covering the sector.

Unlike 2024, when the strike at the Acerinox Europa plant (Cadiz) caused a decrease in the Group's capacity, 2025 has been a year of operational normalization. The strength of its North American subsidiary (NAS) and the improvement in diversification thanks to the alloys division allowed the stock to return to its former levels, consolidating its position as a resilient stock compared to the greater volatility of other, entirely European steel competitors.

The difference in performance between Acerinox shares and those of its European competitors is due to the fact that the market rewarded with greater aggressiveness those entities that started from very depressed valuations, while in the case of Acerinox, the strength of the North American subsidiary and the diversification towards high-performance alloys acted as balancing factors. The graph reflects a year of steady growth for the company which, although less steeply sloped than that of other entirely European steel competitors, allowed it to recover levels of trust and market value lost in previous years.

Stock market evolution of Acerinox and its European competitors

Daily percentage data, 2025.

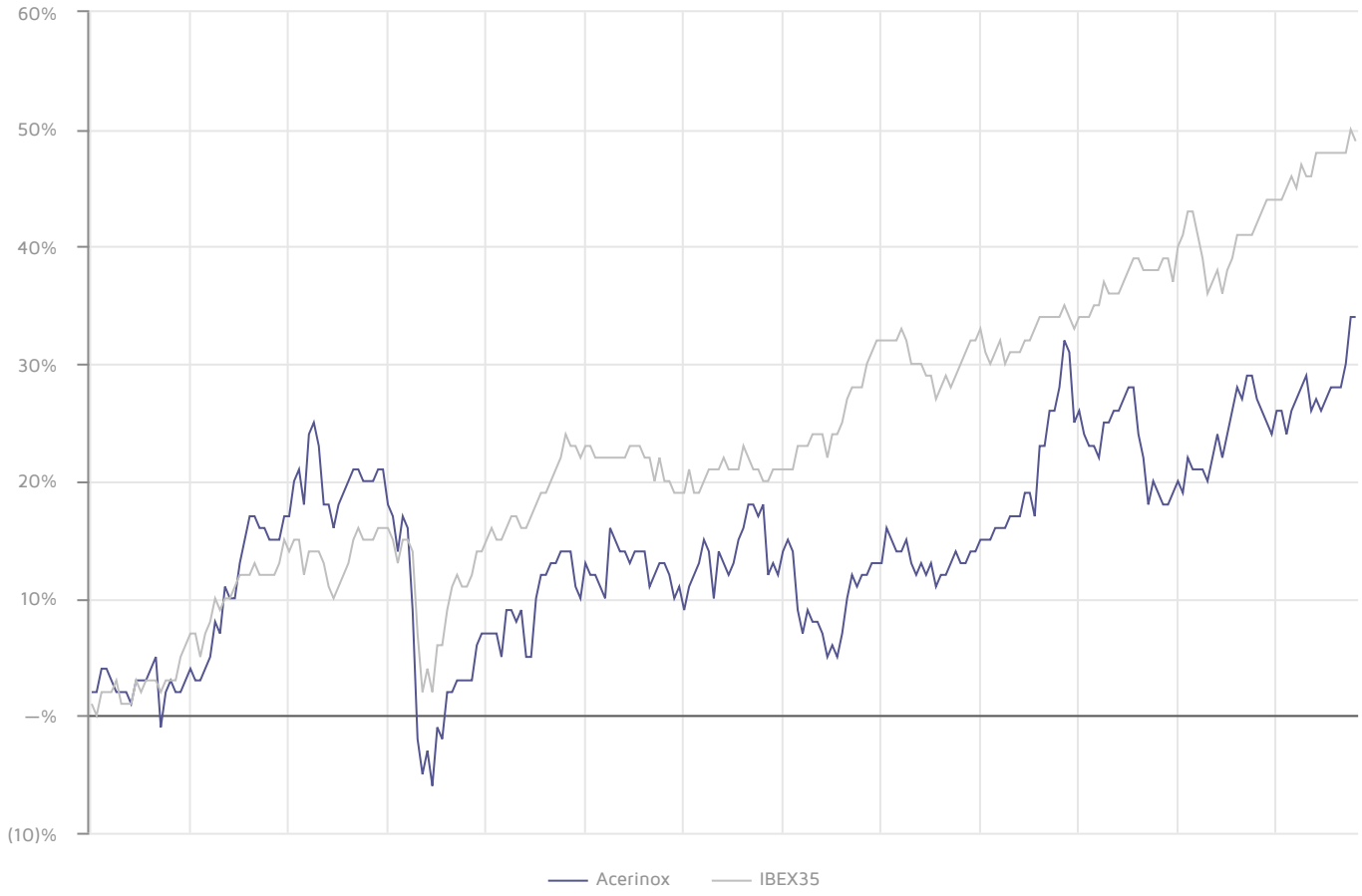


An analysis of the comparison between Acerinox's share price and the Spanish index shows that, although the share experienced a solid recovery of 34%, closing at €12.66, it was unable to keep up with the exceptional pace of the IBEX35, which led global growth with a 49% revaluation. The chart shows that this gap widened especially towards the end of the year, reflecting a market where capital was massively concentrated in sectors such as banking and defense. These sectors have a decisive weight in the Spanish selective index and enjoyed an extraordinary boost in 2025.

Despite this percentage gap, Acerinox's performance stands out for its ability to recover after a complicated first half of the year (annual lows in April seen above). Since the summer, the chart shows how the stock regained traction, supported by the strength of its US market and the normalization of its operations. In short, while the IBEX35 reflected record but highly asymmetric and concentrated growth, Acerinox's performance represented a return to industrial fundamentals, achieving a capitalization of €3,157 million and consolidating its position as a resilient stock amidst a volatile environment.

Stock market evolution of Acerinox and the IBEX 35

Daily percentage data, 2025.



Analyst recommendations

The company's management and performance is widely covered by the financial community, and is assessed on a recurring basis by 18 of the main domestic and international investment firms. This solid monitoring ensures high transparency and information symmetry towards the market, allowing analysts' recommendations covering this security to remain stable during the 2025 financial year.

Analysts' recommendations regarding Acerinox did not change significantly during the year. 85% issued a "buy" recommendation at the beginning of the year, as did 78% at the close; 22% of analysts advised holding. No "sell" recommendations.

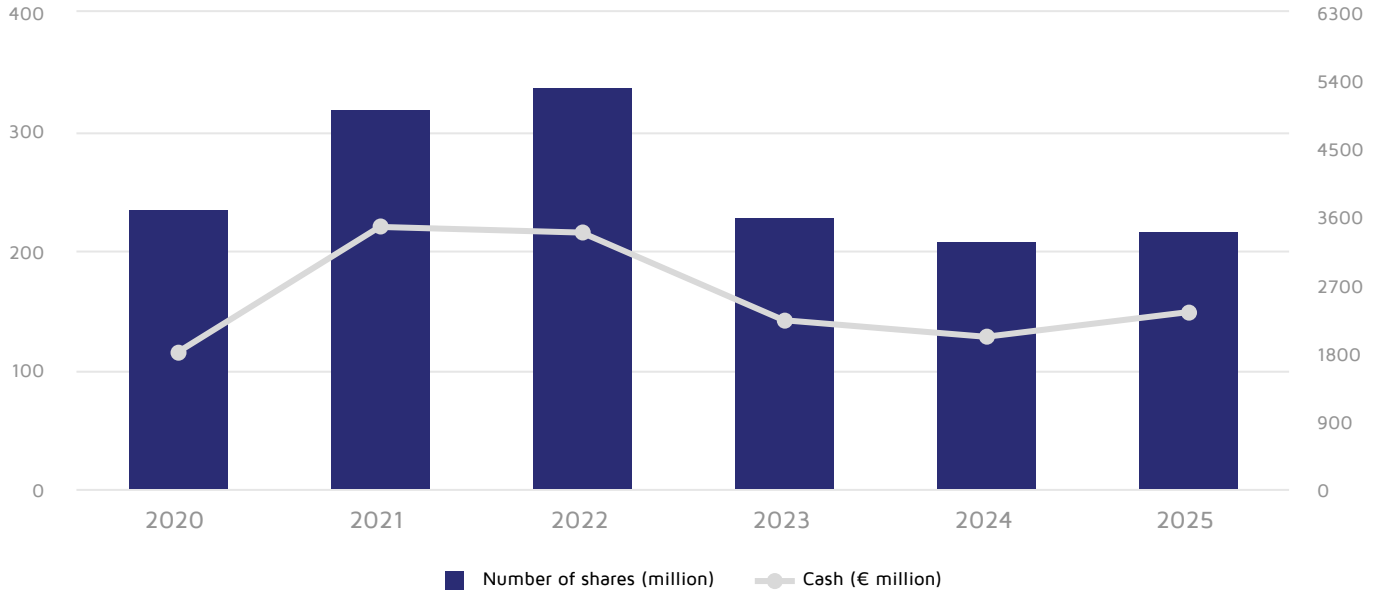
Although the share price closed at €12.66/share, analysts' average target price at the end of the year stood at €13.49/share. This difference reflects that the consensus predicts industrial resurgence in Europe, supported by the improvement brought about by the EU regulatory measures planned for 2026 and operational normalization following the challenges of the previous year. Thus, the technical valuation recognizes a potential for revaluation based on the strength of strategic assets and a recovery in the sector that has yet to be fully captured by the market price.

Trading volume and market capitalization

In 2025, Acerinox shares traded on the 255 days the continuous market was in operation. The total number of shares traded amounted to 216,858,999, with average daily trading of 850,427 shares.

In 2025, trading totaled €2,336,329,452, entailing a daily average of €9,162,076.

Trading volume

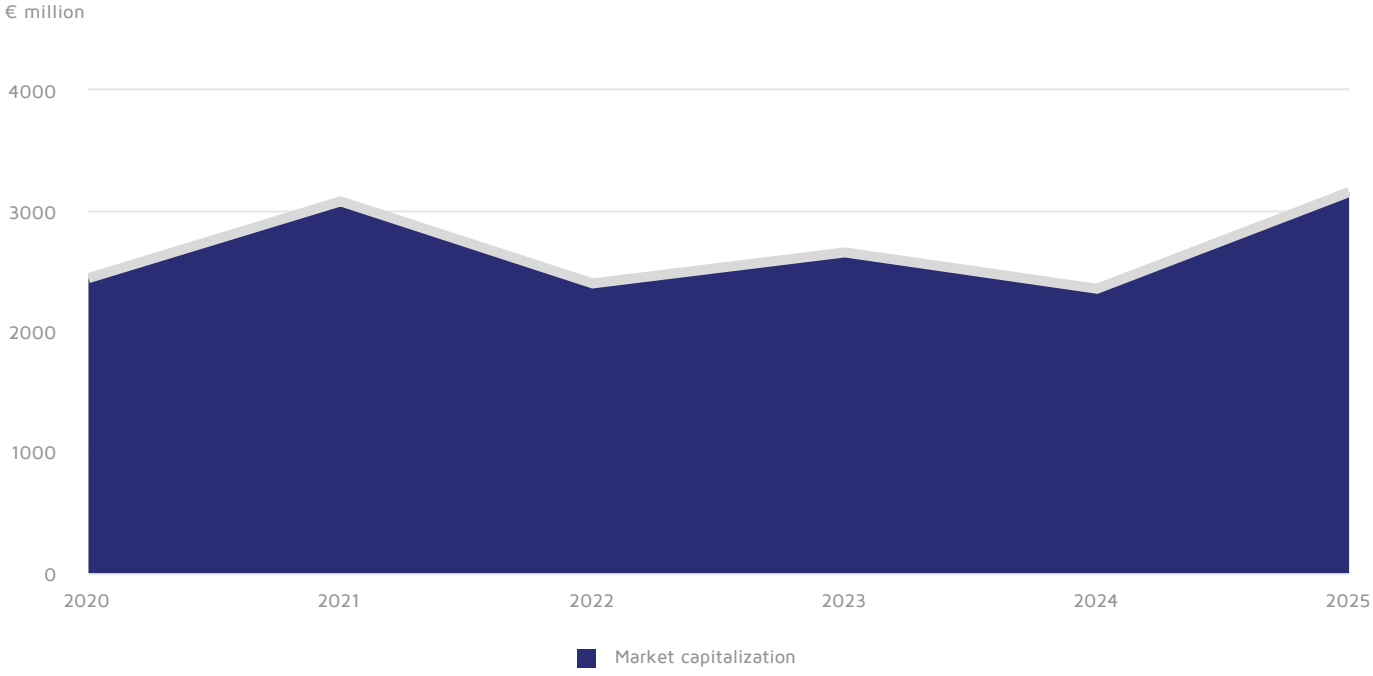


At December 31, 2025, Acerinox's market capitalization was €3,157 million (€2,356 million in 2024).

Our performance in recent years shows that the company has managed to reverse the downward trend of the previous two years, surpassing the €3,000 million barrier and standing slightly above its previous peak in 2021.

This strengthening of capitalization at year-end, close to its annual highs, was underpinned by the strength of the North American subsidiary and diversification into high-performance alloys, which gave the stock greater stability compared to the volatility of other European competitors.

Market capitalization of Acerinox, S.A.



4.6 Shareholder remuneration

In 2025, Acerinox shareholders received €155 million in dividends. The General Shareholders' Meeting, held on May 06, 2025, approved the Board of Directors' proposal to pay a dividend for 2024 (to be paid in 2025) totaling € 0.62 gross per share.

Dividend payment

As established in Acerinox's Dividend Policy, in 2025, the following payments were made:

- Interim dividend for 2024 of €0.31 gross per share, paid in January 24, 2025.
- Final dividend for 2024 of €0.31 gross per share, paid on July 18, 2025.

Dividend policy

The purpose of the current Dividend policy is to establish the essential principles that shall 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.

Likewise, 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 fiscal year 2025 amounted to €153 million.

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

€ million	2025	2024	2023
EBIT	153	348	374
Impairment of assets			156
Depreciation and amortization charge	195	160	171
Changes in current provisions	5	-8	2
EBITDA	354	500	703

Adjusted EBITDA: EBITDA net of extraordinary events during the year:

€ million	2025	2024	2023
EBITDA	354	500	703
Sale of assets (Bahru Stainless)	0	-146	0
Acquisition expenses for Haynes International	0	21	0
Provision for Acerinox Europa's Staff Rejuvenation Plan.	9	12	0
Inventory adjustment	60	58	0
Adjusted EBITDA	422	445	703

Alternative performance measures related to the Balance sheet and leverage ratios

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

€ million	2025	2024	2023
Current loans	1,322	1,464	1,291
Non-current loans	837	919	844
Cash	970	1,263	1,794
Net financial debt	1,189	1,120	341

Net financial debt / EBITDA:

€ million	2025	2024	2023
Net financial debt	1,189	1,120	341
EBITDA	354	500	703
Net financial debt / EBITDA	3.4x	2.2x	0.5x

Debt ratio: Net financial debt / Equity

€ million	2025	2024	2023
Net financial debt	1,189	1,120	341
Equity	2,098	2,575	2,463
Net financial debt / Equity	57%	44%	14%

Alternative performance measures related to cash flow

Working capital: Inventories + Customers - Trade payables

€ million	2025	2024	2023	Variation
Inventories	1,679	2,062	1,861	-383
Customers	476	551	560	-74
Trade payables	614	666	787	-52
Working capital	1,541	1,946	1,634	-406

Alternative performance measures related to company profitability

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

€ million	2025	2024	2023
EBIT	153	348	374
Equity	2,098	2,575	2,463
Net financial debt	1,189	1,120	341
ROCE	5%	9%	13%

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

€ million	2025	2024	2023
Profit after tax and non-controlling interests	-40	225	228
Equity	2,098	2,575	2,463
ROE	(2%)	9%	9%

Other Alternative Performance Measures

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

€ million	2025	2024	2023
Shareholder remuneration	155	155	150
Profit after tax and non-controlling interests	-40	225	228
Payout		69%	66%

Share book value: Equity / no. of shares

	2025	2024	2023
Equity (€ million)	2,098	2,575	2,463
Number of shares at year-end	249,335,371	249,335,371	249,335,371
Valor contable por acción (euros)	8.4	10.3	9.9

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

	2025	2024	2023
Profit after tax and non-controlling interests (€ million)	-40	225	228
Number of shares at year-end	249,335,371	249,335,371	249,335,371
Earnings per share (€)	-0.16	0.90	0.91

Economic value generated: Total income (net sales, income from investments, sale of assets)

€ million	2025	2024	2023
Economic value generated	5,954	5,557	6,766

Valor Económico Distribuido: Pagos a proveedores (costes operativos), salarios a empleados, impuestos al gobierno, dividendos a accionistas e inversiones en la comunidad

€ million	2025	2024	2023
Economic value distributed	5,871	5,524	6,141

Valor Económico Retenido: Es la diferencia entre lo generado y lo distribuido (utilidades reinvertidas y depreciación)

€ million	2025	2024	2023
Economic value retained	83	33	623

4.8 Responsible tax policy

The Group's firm commitment to sustainability extends to taxation, with a focus on developing ethical and transparent corporate governance. In this regard, the Group views taxes as an essential tool for creating value for society as a whole. Its commitment to best practices in this area contributes to sustaining society in a fair and transparent manner.

Acerinox advocates 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, fostering cooperation with the tax authorities.

As a demonstration of its commitment to best practices in tax matters, cooperation with the tax authorities and transparency, the Group voluntarily files an annual Tax Transparency Report with the Spanish Tax Agency, together with its transfer pricing documentation. 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.
- Transfer pricing documentation, Master File and consolidated Local File.

This commitment to tax transparency is evidenced by the award of the T Seal for Transparency granted by the HAZ Foundation to entities that voluntarily meet high standards of accountability and fiscal information disclosure. Acerinox first obtained this seal in 2023. The Company's evolution and commitment are clearly reflected in the improved score. Since then, the Group's evolution and commitment have been clearly reflected in the improvement of its score, going from 72% compliance with transparency indicators to 100% this year. This has earned us the highest rating, three stars, in 2025. This top rating confirms the Company's firm commitment to tax transparency.

Along the same lines and as a further sign of transparency, the Group publishes on its website, within the Consolidated Management Report, a breakdown of its tax contributions in the countries where it operates, as well as its General Tax Policy.

Likewise, Acerinox has been an active party in various procedures in the cooperative field, including its voluntary cooperation 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 (renewed in 2025, with validity until 2029). In addition, it has collaborated with the tax authorities in the resolution of various mutual agreement procedures.

Key indicators. € million

155	161	824	5,954	5,871	83
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 (€ thousand)	2025	2024
R&D	501	2,271
Environment	15,611	14,083
Allocation of CO2 rights	10,801	13,129
Aid related to COVID-19	0	0
Training	292	202
Other	74	8
Total	**27,279**	**29,693**

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

RESPONSABILIDAD FISCAL 2025

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 risks. The Company was awarded the highest category of seal (three stars); this seal is granted to entities, such as Acerinox, that meet **100%** of the indicators.

Internal monitoring and oversight framework

The Acerinox Group's General Tax Policy forms part of the Company's corporate governance system. The text, which was updated and approved by the Board of Directors on December 18, 2024, 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.

The Tax Policy of Acerinox, S.A. and its Group expressly provides, under the section on Good Practices, that where a company is headquartered in a jurisdiction classified as a tax haven under applicable regulations, such presence will be based only on industrial or commercial considerations, and no undue transfer of income to such entities will occur.[1]

Accordingly, given that all countries in which the Group operates have a double taxation treaty with Spain, the Group confirms that during fiscal year 2025 it had no presence in tax havens and has not carried out any transactions in them.

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 Subsequent events

The Acerinox Board of Directors, at their meeting of December 17, 2025, approved the distribution of an interim dividend for the year 2025 payable in cash of €0.31 gross per share for each existing and outstanding share entitled to receive such dividend.

The interim dividend for 2025 was paid on January 23, 2026 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 2026.

As of January 1, 2026, the CBAM entered its operational phase. Importers are required to purchase CBAM certificates to cover the embedded carbon emissions of their products. The price of these certificates is linked to the European Union Emissions Trading System (EU ETS) allowance price.

In response to the trade tensions with the United States and the diversion of Asian steel into Europe, the European Commission proposed a significant tightening of industrial trade defense measures in October 2025, with implementation expected in July 1, 2026. Progress is being made on these trade defense measures and as at the date of publication of this report the measures are pending final approval.

The removal of the reciprocal tariffs in the United States is adding uncertainty to the market.

[1] For these purposes, Acerinox considers as tax havens those jurisdictions listed in Order HFP/115/2023, dated February 9, issued by the Ministry of Finance and Public Service, as amended from time to time. This excludes jurisdictions with which Spain has entered into a double taxation treaty including an exchange-of-information clause, a tax information exchange agreement (TIEA), or the OECD and Council of Europe Convention on Mutual Administrative Assistance in Tax Matters, as amended by the 2010 Protocol, where applicable.

5. Corporate governance

5. Corporate governance

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

During fiscal year 2025, the following changes were made to Corporate Governance:

- The Acerinox General Shareholders' Meeting held on May 6, 2025, upon a proposal by the Board of Directors, approved amendments to Articles 12 ("Call notice"), 13 ("General Shareholders' Meeting Quorum"), 14 ("Attendance at General Shareholders' Meetings and Representation"), 15 ("Constitution of the Presiding Panel. Deliberations. Framework for adopting resolutions"), 16 ("Powers of the General Shareholders' Meeting"), 20 ("Term of office of the Directors"), 21 ("Rules regarding the functioning of the Board of Directors"), 23 ("Board Committees"), 24 ("Positions on the Board") and 27 ("Accounting documents") of the Articles of Association.

- The Acerinox General Shareholders' Meeting held on May 6, 2025, upon a proposal by the Board of Directors, approved amendments to Articles 3 ("Types of General Shareholders' Meetings and Powers"), 9 ("Constitution of the General Shareholders' Meeting") and 10 ("Chairing the General Shareholders' Meeting. Presiding Panel") of the Regulations of the General Shareholders' Meeting.

- The Board of Directors, at its meeting on March 24, 2025, approved the reform of its Regulations, agreeing to amend Articles 1, 2, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25, 26, 28, 29, 30 and 32, to include a new Annex I, and to amend Annexes II, III, IV and V. Notwithstanding the foregoing, the amendment to Article 20 was conditional upon the approval of the amendment to Article 20 of the Articles of Association by the General Shareholders' Meeting held on May 6, 2025. This amendment, as mentioned above, was approved by the General Shareholders' Meeting.

Given the scope of the amendments, the Regulations were also systematically reorganized and renumbered.

This update to the Board of Directors' Regulations, proposed by the Appointments, Remuneration and Corporate Governance Committee, represents a significant step forward in the Company's commitment to the highest standards of good corporate governance, ensuring regulatory compliance and the effective functioning of its governing bodies.

The reform of the Regulations was aimed at bringing them into line with recently published legal reforms, technical guidelines and good governance recommendations and, in particular:

- The Organic Act on Equal Representation, updating the diversity criteria to ensure that the procedures for selecting Board members promote gender equality;

- The guidelines set out in CNMV Technical Guide 1/2024 on Audit Committees (which replaced the previous 2017 version), strengthening the powers of the Audit Committee in relation to sustainability reporting (CSRD Directive) and the oversight of financial and non-financial risks, extending to the independent sustainability information verifier certain provisions applicable to the statutory auditor, and also expanding the powers of the Audit Committee with regard to oversight of the preparation of the Non-Financial Information Statement and sustainability reporting;

- The related-party transaction regime provided for in Articles 529 vicies to 529 tervicies of the Spanish Corporate Enterprises Act (LSC) was completed;

- Relations between the Audit Committee and the Company's Management were strengthened and coordination mechanisms were introduced between the different Board Committees.

- Lastly, the Board Regulations were updated to take into account a complex regulatory landscape encompassing the NIS 2 Directive and the DORA Regulation on cybersecurity, the CS3D Directive on due diligence, the CSRD Directive, the Artificial Intelligence Act and the Code of Good Cybersecurity Governance.

The Annual Report on Directors' Remuneration for fiscal year 2024 was put to an advisory vote at the General Shareholders' Meeting held on May 6, 2025, receiving 95.65% of total votes cast in favor.

In the first quarter of 2026, and with the cooperation of the Company's internal services, the Acerinox Board of Directors carried out the 2025 annual evaluation of its own performance and that of its Committees.

The 2025 Acerinox Annual Corporate Governance Report, the Annual 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 2025 Financial Statements.

The Board of Directors, in collaboration with its Committees, approves the Company's and the Group's policies. In addition, the Board and its Committees, monitor the Company's targets, including those related to corporate sustainability.

5.1. Board of Directors

In 2025, the Acerinox Board of Directors, composed of 11 Directors, met on 13 occasions. On May 6, 2025, upon the expiry of Ms. Laura González Molero's term of office, Ms. Ana María García Fau was appointed by the General Shareholders' Meeting as an Independent Director of the Company.

As of December 31, 2025, the Board of Directors consisted of the following members:

Carlos Ortega Arias-Paz

External Proprietary Director, representing Corporación Financiera Alba, S.A.

He has been a member of the Board of Directors since May 2022 and Chairman of the Board since June 2022. He is also Chairman of the Strategy Committee.
He was appointed with the favorable vote of 91.98% of the share capital present or represented at the General Shareholders' Meeting held on June 16, 2022.
Holder of 22,222 shares at December 31, 2025.

Bernardo Velázquez Herreros

Chief Executive Officer

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 Strategy Committee.
He was re-elected with the favorable vote of 92.55% of the capital present or represented at the Ordinary General Shareholder's Meeting held on June 16, 2022.
Holder of 128,128 shares at December 31, 2025.

Ana María García Fau

Independent External Director

Member of the Board of Directors since may 2025. She is a member of the Audit Committee and the Appointments, Remuneration and Corporate Governance Committee. He was appointed with the favorable vote of 99.24% of the share capital present or represented at the General Shareholders' Meeting held on May 6, 2025.

Rosa María García Piñeiro

Independent External Director

Member of the Board of Directors since 2017; re-elected in 2021 and 2025.
She chairs the Sustainability Committee and is a member of the Strategy Committee.
She was re-elected with the favorable vote of 99.90% of the share capital present or represented at the General Shareholders' Meeting held on May 6, 2025.

Francisco Javier García Sanz

Independent External Director

Member of the Board of Directors since 2020, and re-elected in 2025.
He is a member of the Strategy Committee and the Appointments, Remuneration and Corporate Governance Committee.
He was re-elected with the favorable vote of 79.68% of the share capital present or represented at the General Shareholders' Meeting held on May 6, 2025.

Tomás Hevia Armengol

External Proprietary Director, representing Corporación Financiera Alba, S.A.

Member of the Board of Directors since 2016; re-elected in 2021 and 2025.
Sits on the Sustainability Committee and the Audit Committee.
He was re-elected with the favorable vote of 95.83% of the capital present or represented at the Ordinary General Shareholder's Meeting held on May 6, 2025.

Leticia Iglesias Herraiz

Independent External Director

Member of the Board of Directors since 2020, re-elected in 2025.
Chairs the Audit Committee and is a member of the Sustainability Committee.
She was re-elected with the favorable vote of 98.31% of the capital present or represented at the General Shareholder's Meeting held on May 6, 2025.

George Donald Johnston

Lead independent director.

Member of the Board of Directors since 2014; re-elected in 2019 and 2023.
Sits on the Audit Committee and the Strategy Committee.
Holder of 6 shares at December 31, 2025.
He was re-elected with the favorable vote of 87.76 % of the capital present and represented at the Ordinary General Shareholder's Meeting held on May 23, 2023.

Marta Martínez Alonso

Independent External Director

Member of the Board of Directors since 2017; re-elected in 2021 and 2025.
Member of the Sustainability Committee.
Re-elected with the favorable vote of 99.90% of the subscribed voting capital attending the General Shareholders' Meeting held on May 6, 2025.

Santos Martínez-Conde Gutiérrez-Barquín

External Proprietary Director, 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 Strategy Committee and the Appointments, Remuneration and Corporate Governance Committee Re-elected with the favorable vote of 91.56% of the subscribed voting capital attending the General Shareholders' Meeting held on June 16, 2022.
Holder of 9,997 shares at December 31, 2025.

Pedro Sainz de Baranda Riva

Independent External Director

Member of the Board of Directors since 2023.
He chairs the Appointments, Remuneration and Corporate Governance Committee and is a member of the Sustainability Committee.
He was appointed with the favorable vote of 92.05% of the capital present or represented at the Ordinary General Shareholder's Meeting held on May 23, 2023.

Luis Gimeno Valledor

Secretary of the Board of Directors

Holder of 35,860 shares at December 31, 2025.

The Articles of Association provide that the Board may have between five (5) and fifteen (15) directors, and the General Shareholders' Meeting held on May 6, 2025 set the number of Directors at eleven (11). 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.

The composition of the Board of Directors and its Committees during 2025 was as follows:

			Director			Sustainability				Other
Name	Position	Gender	Executive	Proprietary	Independent	Strategy (I)	Audit	Appointments, Remuneration and Corporate Governance	Sustainability	First Appointment as Board Member
Carlos Ortega Arias-Paz	Chairman			●		●*C				2022
Bernardo Velázquez Herreros	Chief Executive Officer		●			●				2010
Ana María García Fau	Director (II)				●		● (III)	● (III)		2025
Laura González Molero	Former Director (IV)				● (IV)		● (IV)	●*C (IV)		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				●			●*C (V)	●	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

(I) The Strategy Committee was established on March 24, 2025, and comprises the same members as the former Executive Committee.

(II) Ms. Ana María García Fau was appointed as an Independent Director at the General Shareholders' Meeting held on May 6, 2025.

(III) Ms. Ana María García Fau was appointed as a member of the Audit Committee and the Appointments, Remuneration and Corporate Governance Committee at the Board of Directors meeting held on June 25, 2025.

(IV) Ms. Laura González Molero's term as Independent Director came to an end on May 6, 2025 and, as a result, she stepped down as Chair of the Appointments, Remuneration and Corporate Governance Committee and as a member of the Audit Committee.

(V) Mr. Pedro Sainz de Baranda Riva was appointed Chair of the Appointments, Remuneration and Corporate Governance Committee at the Board of Directors meeting held on June 25, 2025. He has been a member of said Committee since June 27, 2023.

36.4% of Board members are women.

Board of Directors	7	4
Strategy Committee (*1)	5	1
Audit Committee	2	2
Appointments, Remuneration and Corporate Governance Committee	3	1
Sustainability Committee	2	3

(*1) The Strategy Committee was established on March 24, 2025.

Board committees

(*1) The Strategy Committee was established on March 24, 2025.

Management Committee

At December 31, 2025, the following members sat on the Acerinox Management Committee:

Ms. Lucía Alonso de Noriega | Internal Audit Director	**Mr. Alexander Kolb** | General Counsel
Ms. Esther Camós | Chief Financial Officer	**Mr. Carlos Lora-Tamayo** | Investor Relations, Communication, Consolidation and Reporting Director
Mr. José Campuzano | Health, Safety, and Environment Director	**Mr. Marlin Clarence Losch III** | COO of Haynes International
Mr. Carlos Castillo | Legal Affairs Director	**Mr. Carlos Marqués** | Raw Materials Purchasing Director
Ms. Marisa Dafauce | Human Resources Director	**Mr. Niclas Müller** | CEO of VDM Metals
Mr. Antonio Fernández de Mesa | Financial Director	**Ms. Deniza Puce** | Indirect Purchasing Director
Mr. Miguel Ferrandis | Chief Corporate Officer	**Mr. Alberto Ruiz** | Cybersecurity Director
Mr. Clive Grannum | CEO of North American Stainless	**Mr. Carlos Ruiz** | Sustainability Director
Mr. José Manuel Garcelán | Compliance Director	**Mr. Johannes Lafras Strydom** | CEO of Acerinox Europa
Mr. Juan García | Risk Director	**Ms. Isabel Vaca** | Information Systems Director
Mr. Antonio Gayo | Strategy Director	**Mr. Johannes Christiaan (Riaan) Van Coller** | COO of Columbus Stainless
Mr. Fernando Gutiérrez | Chief Strategy Officer	**Mr. Bernardo Velázquez** | Chief Executive Officer

Remuneration of the Management Committee

The variable remuneration of committee members, 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 Annual Report on Directors' Remuneration, which is published at the same time as this report and is available on the Acerinox'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.

Committee members long-term 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.

5.2. General Shareholders' Meeting

The Acerinox General Shareholders' Meeting was held on second call on May 6, 2025 in Madrid, having been convened with the option for shareholders and proxies to attend both in person and remotely. A total of 1,888 shareholders, either in person or by proxy, were in attendance, representing 62.75% of the share capital. All items on the agenda were approved with the sufficient majorities required by the Corporate Enterprises Act and the Company's Articles of Association.

6. Risk management

6. Risk management

Acerinox prioritizes the consolidation of a robust risk culture and maintains a Risk Management System backed by the strategic support of Senior Management and the operational commitment of the entire workforce. This system is aligned with COSO (Committee of Sponsoring Organizations of the Treadway Commission) and ERM (Enterprise Risk Management) standards. The management model spans all of the Group's business areas and is directly overseen by the Board of Directors.

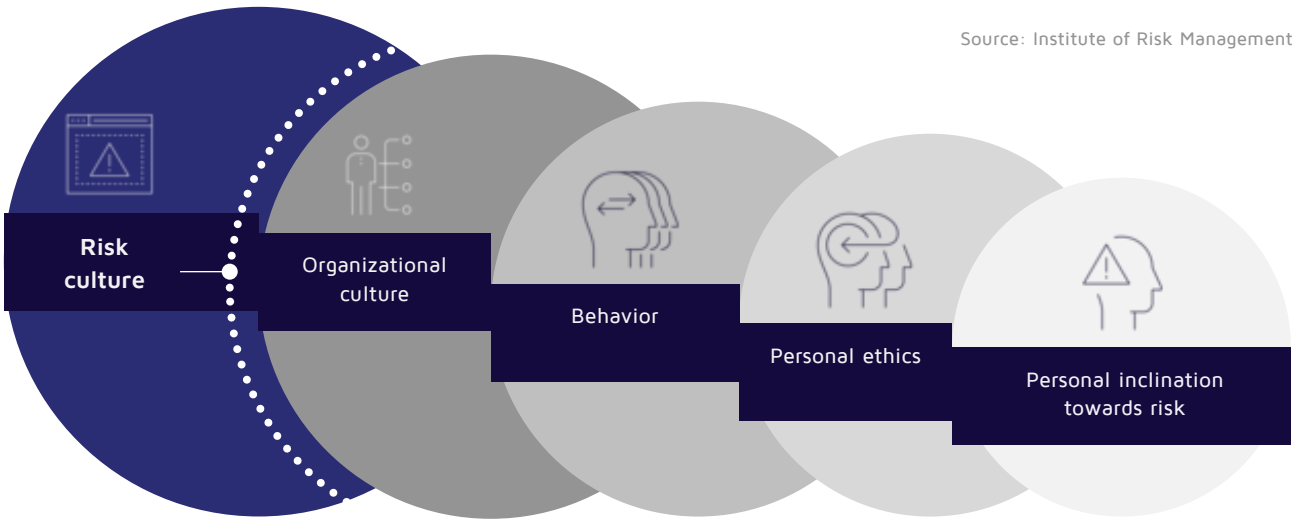
To ensure effective management and comprehensive oversight, Acerinox structures its control model around a three-lines-of-defense framework:

- **First line of defense:** comprises operational profiles in charge of identifying and assessing specific risks related to their operations.
- **Second line of defense:** 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.
- **Third line of defense:** the responsibility of the Internal Audit department, whose role is to assess and validate the robustness of the controls implemented by the first and second lines of defense.

Regulatory compliance is structured through the General Risk Control and Management Policy. This document sets out the strategic guidelines and operational framework needed to proactively manage the Group's challenges. The structure of the Group's Risk Management System fosters early identification and rigorous assessment of potential threats. This approach reflects a mature corporate culture, the benefits of which include:

- **Strengthened resilience**: Risk management embedded in corporate culture provides optimal preparation for mitigating the impact of crises and enables the organization to adapt successfully to unforeseen changes.
- **Optimized decision-making**: By systematizing and standardizing risk analysis, the Group's strategic decisions are underpinned by the most rigorous possible assessment of their impact and feasibility.
- **Financial protection:** Effective preventive controls reduce exposure to contingencies, preventing direct financial losses and safeguarding the Group's reputation.
- **Regulatory compliance:** Alignment with the most demanding regulatory frameworks and international standards mitigates legal and regulatory risks.
- **Fostering innovation**:. In-depth risk analysis makes it possible to identify new business opportunities, driving the development of disruptive solutions and cutting-edge products that strengthen competitiveness.

Source: Institute of Risk Management (IRM)



Risk appetite and tolerance

In accordance with the General Risk Control and Management Policy, all risks are analyzed, assessed and monitored. The Acerinox Management Committee then conducts a comprehensive review of the assessments, establishing a ranking and assigning tolerance levels.

Risk appetite is the level of risk that Acerinox is willing to assume in order to safeguard the value of the organization without adopting corrective or preventive measures. It determines whether a risk falls within the limits accepted by the Company. Risk appetite is closely linked to the Company's Code of Conduct. This link ensures that the risks assumed in pursuit of strategic objectives do not exceed the Company's ethical and regulatory boundaries, making the Code a frame of reference that defines the risk culture and zero tolerance for unlawful conduct.

The Group assumes a prudent and acceptable level of risk that enables it to generate value on a recurring and sustainable basis and to optimize business opportunities.

Risks that fall outside the established tolerance levels must be addressed in order to bring them back to desirable levels, provided the risk is manageable and the cost of the mitigation measures is justified by the potential impact of the risk materializing on Acerinox.

The Management Committee will approve risk appetite and tolerance in relation to the Company's strategic targets. Both appetite and tolerance are reviewed on a regular basis and whenever there is any change in the Company's context or strategy.

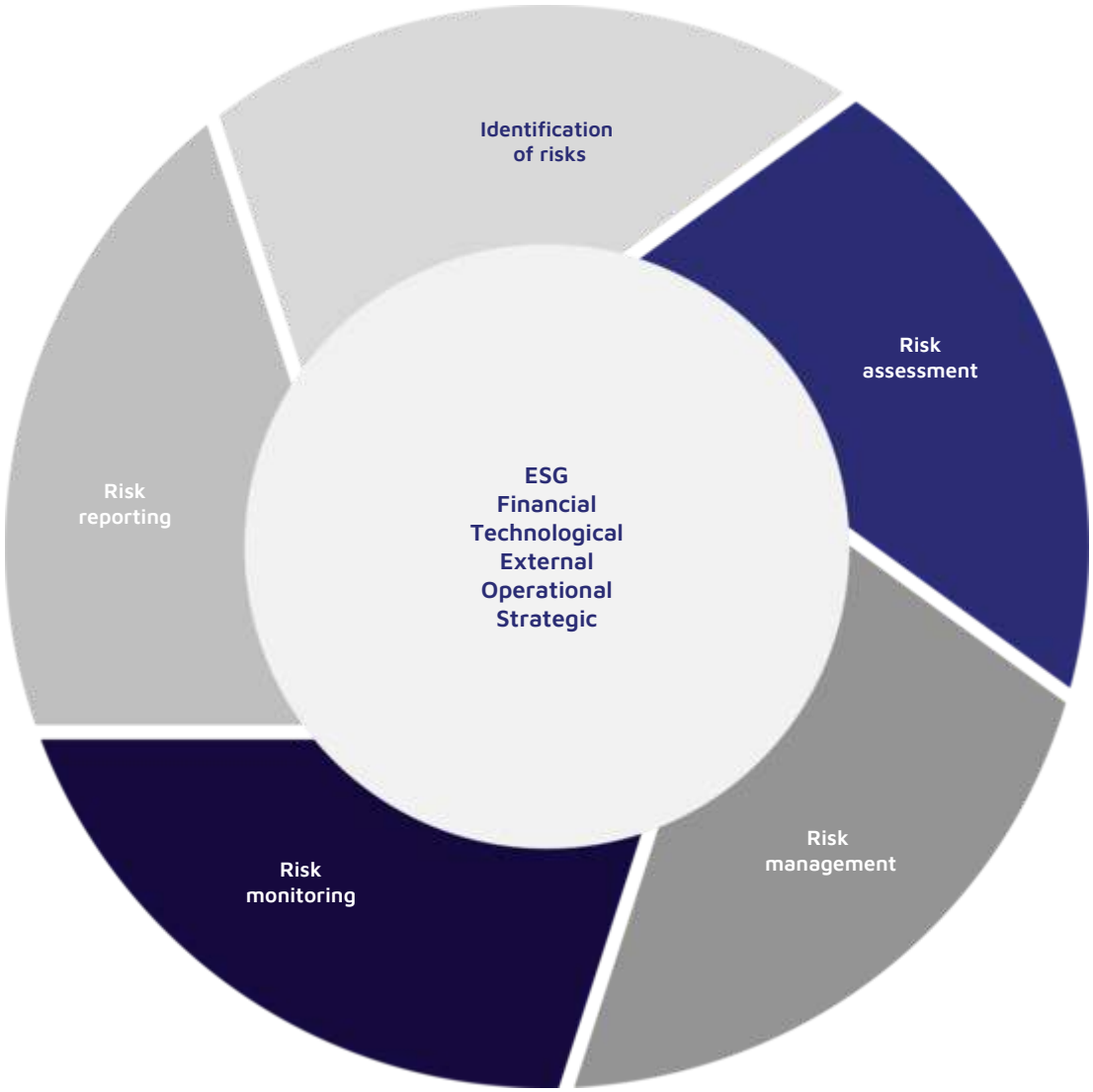
The appetite threshold is defined by assessing the impact and likelihood of occurrence associated with risks:

- Impact: Consequences for the value of the organization arising from the materialization of a risk.
- Likelihood: The possibility of a risk materializing and its associated impact, taking into account the management mechanisms applied by the Company and their effectiveness.

The assessment methodology involves identifying and analyzing risks, calculating their impact and likelihood of occurrence within the framework of a 5x5 matrix. Multiplying both values makes it possible to prioritize risks into four levels: Low, Medium, High and Very High.

Main risks

Based on the COSO ERM standard, Acerinox's Risk Management System provides an integrated and consistent view of risks across all business units. The structure has the backing of the Board of Directors and extends through to validation by means of annual audits. This systematic approach enables the Group to conduct semiannual reviews to monitor and report on risks effectively, optimizing strategic decision-making and operational resilience.



Category	Main risks	Description and examples	Risk (Impact x Probability)	Main responses
External	Economic cycles	There is ongoing uncertainty associated with the volatility of economic cycles in 2025, affecting strategic markets and the Group's global demand	Very High	Strategic plans focused on higher value-added products with the goal of having a more stable volume and margin base in low price cycles. Diversification to mitigate sectoral or geographical cycles.
	Geopolitical	Growing geopolitical tensions and widening social divides are sustaining an environment of instability that hinders global trade and investment. The persistence of international armed conflicts is fueling increased uncertainty and market volatility, with a global economic impact.	Very High	Constant global monitoring to mitigate and/or anticipate economic impacts and potential supply chain disruptions.
	Overcapacity and competition	The slowdown in the global stainless steel market driven by massive production in Asia, compounded by declining domestic demand, is intensifying global export pressure and eroding selling prices and margins in markets where the Group operates.	High	Implementation of strategic plans focused on operational efficiency and specialization in higher value-added products. This strategy is reinforced by the announcement of trade barriers and safeguard measures in key markets.
ESG	CO_2 emissions	In recent years, energy and CO_2 emission costs have risen considerably compared to those of Asian producers. Additionally, occupational safety and health risk is inherent to highly complex industrial activity, and its management is an ethical and operational priority for the Group.	Medium	Sustainability Plan - 360° Positive Impact Plan It establishes 5 pillars, including eco-efficiency and climate change mitigation, as well as the different security systems and plans aimed at LTIFR / TRIR accident rates reduction.
	Energy		Medium	
	Safety and Health		Medium	
Financial	Raw material price volatility	The production of stainless steel and high-performance alloys depends on key raw materials such as nickel, ferrochrome and scrap. Their prices are subject to significant volatility, making them difficult to monitor and potentially impacting production costs and profit margins.	Very High	Alloy surcharge mechanisms and/or, if applicable, financial hedges to try to minimize the impact of the volatility linked to raw materials.
	Macroeconomic and market variables	Of particular note is exchange rate risk arising from the depreciation of the USD against the euro, given that a significant portion of EBITDA is generated in dollars and South African rand volatility persists. These fluctuations directly impact the translation of results and margins in 2025, compounding the effect of raw material prices.	High	Hedging part of the risk through financial hedging mechanisms and, in the case of raw materials, application of the alloy surcharge.
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.	Medium	The Cybersecurity Master Plan is underway; this increases the Group's protection capacity and improves our response to potential threats
Operational	Supply chain. Availability of raw materials / basic supplies	The timely availability of raw materials and basic supplies in the required form and quality is critical to production continuity, with risks of production interruptions or shortages arising from global logistical instability and dependence on key suppliers.	Medium	With the support of corporate tools and a defined control framework, the Group strives to maintain adequate supply chain stability by monitoring supplier quality and compliance and ensuring the continuity of the production process.
Strategic	Strategic plans	Current assets and/or the development of strategic plans and capital investments, such as acquisitions, carry the risk of failing to achieve the growth and profitability targets set, potentially compromising the success of the Group's competitive transformation.	Very High	Integration of Haynes International to capture synergies and consolidate leadership in high-performance alloys, together with investment plans focused on higher value-added products.

Emerging risks

Managing emerging risks is an ongoing challenge, but one that is essential to the long-term survival and success of any organization. Acerinox is attentive to emerging risks, understood as new, evolving or poorly understood threats with low likelihood but high impact that may affect an organization.

Unlike conventional operational risks, emerging risks are characterized by their uncertain nature, rapid evolution and systemic potential, calling for continuous vigilance and an agile response capability. By understanding the nature of these risks and adopting a proactive approach, the Group is able not only to mitigate their potential impact but also to capitalize on the strategic opportunities that arise from them.

To stay ahead of this environment, the Company monitors global megatrends and the geopolitical landscape, drawing on expert sources and internal analysis. This comprehensive approach seeks to detect at an early stage nascent risks that may impact the Group directly or collaterally.

The emerging risks analyzed by the Group mainly include:

Vulnerability of critical materials and rare earths

Risk description

Category: Geopolitical / Raw material availability / Supply chain

Description:

Access to critical raw materials (CRMs), including rare earth elements (REEs) for micro-additions, could be affected by the fragmentation and geopolitical control of the supply chain for these elements. The imposition of export controls or quotas could affect part of the Company's production.

Potential impact:

Potential strategic and long-term impact. A disruption in the supply of these materials could drive up operating costs due to price volatility. It could also affect the manufacture of certain components critical to industries such as aerospace, petrochemicals and defense, forcing product reengineering and loss of market share to alternative materials.

Mitigation actions

Alternative suppliers: Single Source Avoidance. Active search for alternative suppliers to prevent a possible supply chain disruption.

Technological transition

Risk description

Category: Loss of competitiveness/Market/Technological

Description:

Migration of certain industries such as aerospace and energy from "subtractive" to "additive" manufacturing processes (AM). This technology enables the consolidation of parts and the creation of complex internal geometries for next-generation engines. It is a strategic transition that could accelerate in the coming years owing to faster printing speeds (machines with more than 12 lasers) and the standardization of materials.

Potential impact:

Potential impact from the contraction in demand for "raw" material volume due to a reduction in total tonnage demanded. Should these changes materialize, they could create a risk of fixed asset obsolescence and a shift from traditional metallurgy to the science of powder atomization.

Mitigation actions

Investment by VDM in a second powder atomizer for additive manufacturing (3D printing). This investment will double production capacity for this material, driving growth in a market in which VDM Metals is already highly valued by customers as a supplier, collaborating on this technology with the most prestigious equipment manufacturers. Acerinox is committed to the growth of this sophisticated, high-demand material, taking a step forward in its strategy of manufacturing higher value-added products and providing solutions to the stainless steel and high-performance alloys market.

Circular economy and integration: Leveraging integration with the Acerinox Group to use high-quality recycled metal in powder smelting, improving the sustainability profile of products to meet environmental requirements.

Cybersecurity governance model

Acerinox considers cybersecurity risk management to be fundamental, and therefore continued to strengthen its organizational structure, processes, and technologies in this area throughout 2025.

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 | 7.2 Environmental information

7.3 Social information | 7.4 Governance information

7. Consolidated Non-Financial Information Statement and Sustainability Information

7.1 General information

General basis for preparation of sustainability statements

BP-1

The purpose of this report is to transparently communicate the Company's sustainability performance to stakeholders and to reliably convey the most relevant aspects, commitments, practices and results for fiscal year 2025. 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 2025 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) and two long product factories (Roldán and Inoxfil). The Company also has seven other high-performance plants in the US and Germany belonging to VDM Metals. At the end of 2024, Acerinox acquired Haynes International, also dedicated to the manufacture of high-performance alloys, and which has 3 factories in the US.

The 2025 report covers all Group entities, including the full integration of Haynes. In the prior fiscal year, the scope with respect to this company was limited exclusively to staff data. This information has been maintained in the present report. This continuity in scope allows for a faithful comparison with the statements published in the fiscal year of its inclusion into the Group (see Scope of consolidation, Note 6 to the Consolidate Financial Statements).

In 2025, a double materiality review was conducted to confirm the continued validity of the IROs and material topics identified in the prior fiscal year, taking into account the consolidation scope at year-end and additional sources of information such as the climate risk analysis carried out this year. As a result of this analysis, the inventory of IROs and material topics relating to climate change has been updated. These changes ensure that the reported risks and opportunities more accurately reflect the Company's current context. For further information, see section SBM-3 Double materiality analysis.

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 complies with Act 11/2028 on non-financial information and diversity by reporting on qualitative and quantitative requirements, and likewise meets the requirements of Royal Decree 214/2025 of March 18 on carbon footprint reporting and reduction plans.

Information omissions are specified in detail in the corresponding chapters.

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 commits to report data as correctly and accurately as possible using primary measurement data for its activities.

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

Changes: the sustainability information presented in this report has been updated and adapted to comply with current standards. 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 Acerinox Group, headquartered in Spain, is leader in the manufacture of 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, North American Stainless, and Columbus Stainless), along with two long product factories (Roldán and Inoxfil).

The high-performance alloys division (a world leader in this sector) is made up of VDM Metals and Haynes International, which have 10 production sites in the US and Germany.

For more information on the number of employees by geographical area, see section S1-6 Employee characteristics.

Acerinox products have a wide range of references and are distributed through a wide sales network across more than 80 countries. Thanks to their versatility, aesthetics and excellent physicochemical properties, the Group's materials are successfully used across a wide range of industrial sectors.

The Strategic Plan 2021-2025 set out the business comprehensive vision; for further information on this point, see section 4.1 Strategy. Its deployment is based on the Group's strategic vision: to establish itself as a comprehensive supplier that anticipates market needs through the widest range of materials and solutions. Acerinox efficiently produces stainless steels and high-performance alloys, prioritizing environmental sustainability and value creation throughout its supply chain.

The Strategic Plan 2021-2025 included four pillars: excellence, added value, sustainability and financial strength. The sustainability pillar is deployed through the 360°Positive Impact Plan, which is structured around 5 action 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 sustainability 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 corporate values, 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.

The value chain, together with its main inputs and agents, is described in detail in chapters SBM-3 and E5-4.

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 in 2024 the first double materiality analysis to identify the most significant sustainability issues. The review of the double materiality analysis, understood as a dynamic process, will be conducted periodically to address significant changes in the environment, the value chain or the Group's strategy, and on an extraordinary basis should notable events occur. In 2025, a double materiality review was conducted to confirm the continued validity of the IROs and material topics identified in the prior fiscal year. As a result of this analysis, the inventory of material IROs relating to climate change has been updated (for further information, see E1 IRO-1 Climate change).

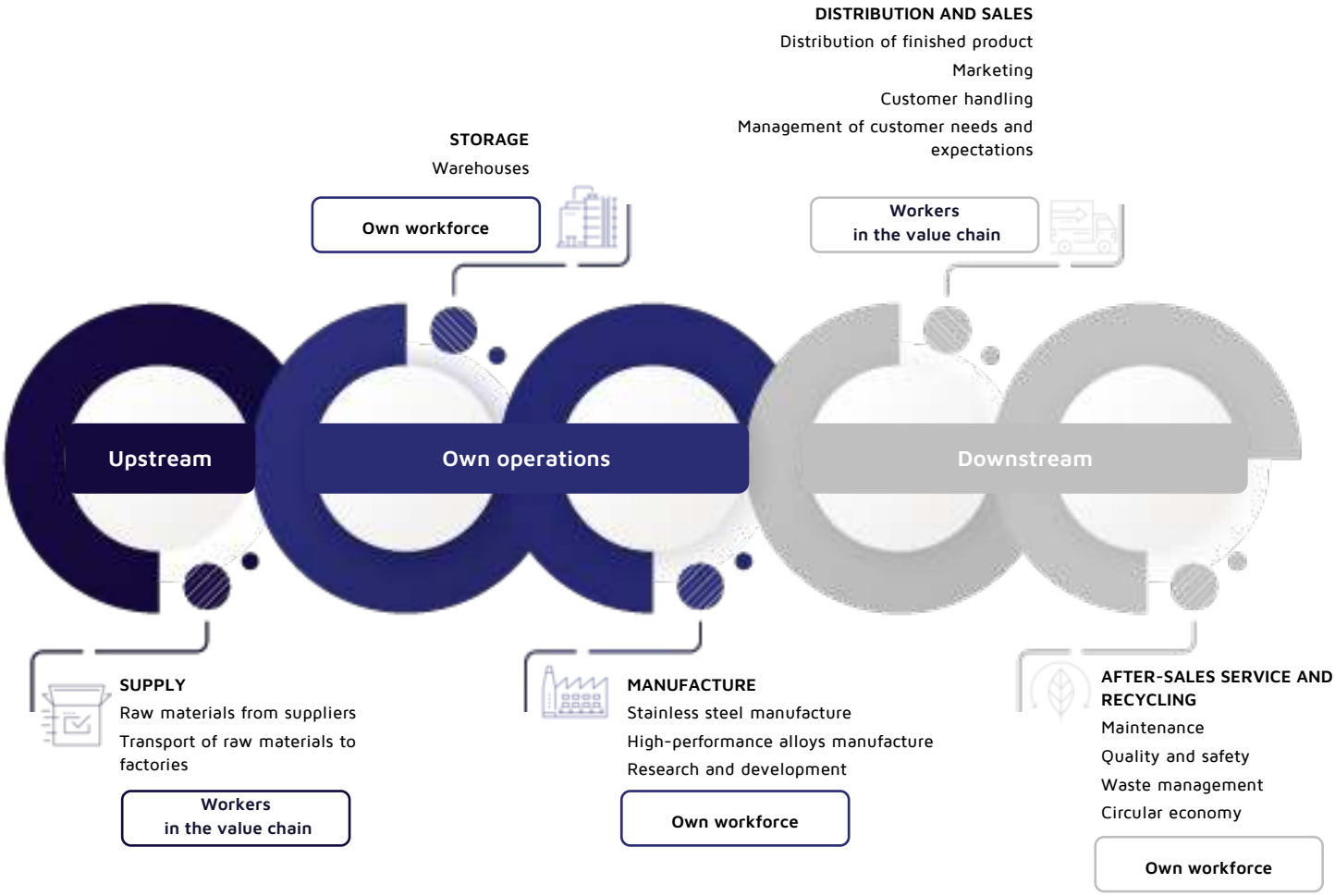
The materiality analysis is an active listening process that enables the matrix to be validated with stakeholders and their perspective to be incorporated into the analysis, based on a comprehensive methodology that includes interviews and surveys.

Double 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 Company (financial materiality) and the impact of the Company's activities on the environment and people (impact materiality).

The double materiality determination process, carried out in 2024, consists of four phases:

1. Analysis of the context: 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 were 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 sustainability commitment. External sources include the regulatory framework, sectoral sustainability trends, and the expectations of analysts and investors. In addition, a sector benchmarking analysis was conducted. During this first phase, the value chain definition is carried out.

The value chain is defined as the comprehensive set of activities required to create a product or service. The value chain analysis involves evaluating the company's various activities, analyzing step by step the transformation from primary products and intermediate processes to the final product or service, and identifying the stakeholders involved.



2. IROs' identification: 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 (identifying its time horizon), 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 process, in addition to the CSRD standards, the results of the prior context analysis and the 2022 materiality assessment were taken into account. The scope of the analysis extended to the Group's entire value chain. The list of IROs identified was cross-checked through surveys of stakeholders across value chain segments, in order to ascertain their perceptions and opinions, and with Company experts. During this stage, the correlations between impacts and their dependencies with respect to the risks and opportunities identified were analyzed.

3. IROs' assessment: 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:

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

- **Remediability**: Difficulty involved in undoing or compensating for the damage derived from a negative impact.
- **Probability**: Likelihood of a potential impact, risk, or 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 given according to the positive or negative nature of the inherent impact.

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.

Probability		
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.

Various time horizons were also assessed, with a specific weighting assigned to each according to its relevance in the final valuation of risks and opportunities.

Time horizon			Weight
Risk / opportunity	Short term	1 year	50%
	Medium term	1-5 years	30%
	Long term	More than 5 years	20%

In order to quantify and rank material topics, the measurement criteria detailed in the following guide were applied:

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

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

4. 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 double materiality analysis

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

The Company' materiality matrix is structured around eight material issues: energy, climate change, water management, circular economy, workforce, supply chain, customers and end-users, and corporate governance and ethics.

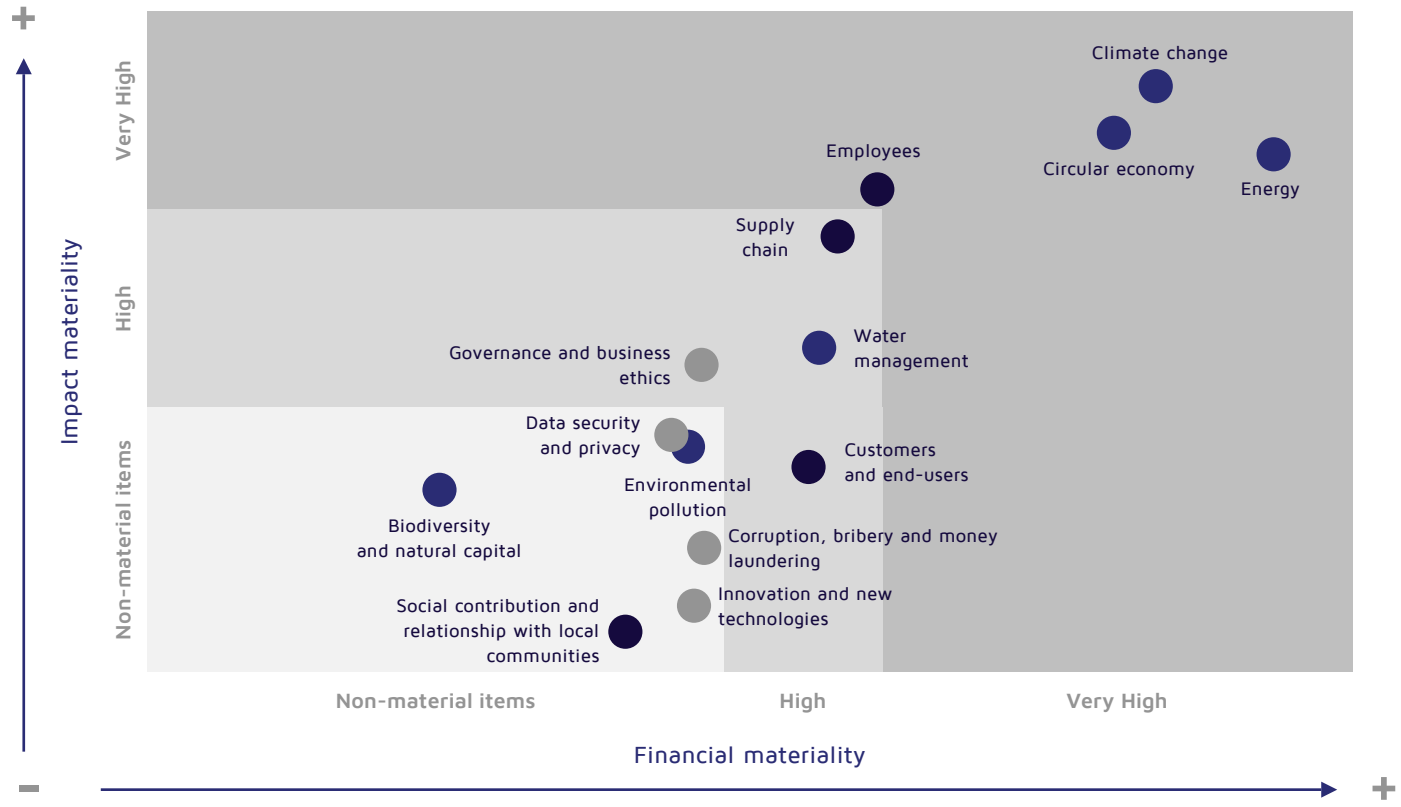
The outcome of this process was approved by the Sustainability Committee, the Audit Committee and subsequently by the Board of Directors in 2024. The material topics were not modified during the 2025 review. No changes to the Company's business model, strategy or assets were identified, demonstrating the Group's resilience for addressing impacts and risks and taking advantage of business opportunities (for more information on climate change resilience, see SBM-3 in the Climate Change chapter). Due to its relevance, this information is taken into account in the review of the Groups risk map and in the strategic review.

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

	ESRS		Acerinox topic	Impact materiality	Financial materiality
E	ESRS E1	Climate change	Energy	●	●
			Climate change	●	●
	ESRS E2	Pollution	Environmental pollution	○	○
	ESRS E3	Water and marine resources	Water management	●	●
	ESRS E4	Biodiversity and ecosystems	Biodiversity and natural capital	○	○
	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 S3	Affected communities	Social contribution and relationship with local communities	○	○
	ESRS S4	Consumers and end-users	Customers and end-users	○	●
G	ESRS G1	Business conduct	Governance and business ethics	●	○
			Corruption, bribery and money laundering	○	○
			Innovation and new technologies	○	○
			Data security and privacy	○	○

● Material ○ Non-material

Double materiality matrix



The priority material topics are climate change, the circular economy and energy. These three pillars are fundamental from both an impact and a financial perspective, although they present different levels of relevance for each.

Impact materiality	
1	Climate change
2	Circular economy
3	Energy

Financial materiality	
1	Energy
2	Climate change
3	Circular economy

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 methodology applied to analyze the IROs for those topics that were not found 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 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 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.

  The Group integrates biodiversity and ecosystem management through the ISO 14001 standard, ensuring a standardized environmental framework across all its locations.

  A biodiversity impact analysis of the main plants has been carried out using the IBAT (Integrated Biodiversity Assessment Tool). This tool uses geolocation to analyze the impact on: IUCN Red List: Identifies threatened species (Endangered, Vulnerable) inhabiting the surroundings of the plant; Protected Areas (WDPA), Natura 2000 Network areas, Ramsar sites or other protected areas; Key Biodiversity Areas (KBAs): Areas that, although not always legally protected, are vital to global biodiversity.

  Additionally, the application of the STAR methodology (Species Threat Abatement and Restoration scores) has made it possible to identify the impact vectors and restoration measures that could be most significant in the areas where we operate.

Factory	Surface area (hectares)	Protected areas	KBAs
Acerinox Europa SAU	110.85	26	6
Roldán, S.A.	18.55	5	4
Inoxfil, S.A.	3.11	23	2
North American Stainless	400	4	0
Columbus Stainless	400	4	1
VDM Metals - Unna	27.4	368	1
VDM Metals - Werdhol	9.473	338	0
VDM Metals - Altena	5.52	320	0
VDM Metals - Siegen	1.4	167	2
Haynes Intl Kokomo	72.8	1	0
Haynes Intl - Arcadia	17	1	0
Haynes Intl - Hendersonville	11.7	15	0

- **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 material current financial effects during 2025 are those disclosed in Note 9 on Investments and the Environment in the Consolidated Financial Statements.

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 impact risks have been detected that would entail a significant likelihood of adjustment for the next annual reporting period in the Annual Financial Statements.

With regard to anticipated financial impacts, the Company will avail itself of the transition period (phase-in) provided for in Annex C of ESRS 1 to facilitate implementation.

Stakeholder engagement

SBM-2, SBM-1

Mindful of its role in its surroundings, Acerinox is committed to strengthening its relationship with stakeholders as a fundamental pillar for generating shared value. Stakeholder trust is fostered through transparent communication and constant, effective dialogue.

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.
- **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 the Company's 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. The main communication channels are detailed below:

Stakeholders	Communication channel	Purpose of communication
Employees	• Platform for employee management. • Internal communication • Acerinox Insights (internal presentations) • Ideas mailbox • Engagement survey	Strategic alignment 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, conferences and presentations • Corporate reporting • Corporate website • Direct communications • Significant	Convey the company's strategy and values Promote efficient communication Promote information transparency Allow all questions to be answered
Customers	• Customer portal • Satisfaction survey • Non-face-to-face channels	Respond to inquiries, questions, complaints, and suggestions received. Increase customer loyalty.
Suppliers	• Supplier portal in the company website • Registration platform • Risk management platform • Direct communications	Clearly define the requirements Build strong relationships Optimize purchasing processes
Local communities	• Corporate website • Events and meetings • Social networks	Providing accurate information in the area of influence of operations Maintain a relationship of trust and mutual respect Align interests
Public agencies	• Alliances and collaborations • Administrative procedures	Forge lasting bonds Align interests
Civil society	• Media channels • Events and conferences • Social networks • Associations	Promote social dialogue Discuss topics of interest Inform and mobilize stakeholders Increase trust and shared value

It should be noted that Acerinox provides its stakeholders with an ethical channel for confidentially reporting any irregularities.

In addition, the Group produces regular publications designed to report on its activities in accordance with the principles of accuracy, transparency and clarity:

- 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 double materiality analysis conducted in 2024.

Listening results were reported to the Board of Directors and it was not deemed necessary to modify this strategy or the business model.

Sustainability governance

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

Sustainability is a strategic pillar of the Group's Corporate Governance. Accordingly, Acerinox's organizational structure includes specialized bodies responsible for comprehensively defining, overseeing and managing these commitments. The Board of Directors is responsible for setting the overall strategy and policies on sustainability matters.

In accordance with Article 19 of the Articles of Association and Article 4.1 of the Board of Directors Regulations, pursuant to the resolution of the General Shareholders' Meeting held on May 6, 2025, the Board of Directors comprises eleven directors. The composition of the Board of Directors is as follows:

- There is a clear majority of Non-Executive Directors, who represent 90.91% of the total, compared to 9.09% for the Executive Director.
- Independent Directors make up the majority of the governing body, representing 63.63% of its total membership.

In accordance with Acerinox's current General Policy on Diversity of the Board of Directors and Selection of Directors, the selection of candidates takes into account the requirements of good standing, suitability, recognized professional competence, availability and commitment to the role, all of which are essential for the proper discharge of their duties. Likewise, consideration is given to ensuring an adequate balance of training, knowledge, experience, age, gender and backgrounds on the Board of Directors as a whole and on its Committees, thereby enriching decision-making and bringing diverse perspectives to the discussion of matters within their purview. The selection of Acerinox directors is governed by its Diversity Policy, which prioritizes the suitability and professional competence of candidates. The process weighs the combination of diverse knowledge and experience —including gender and background—to ensure that the composition of the Board and its Committees provides a pluralistic and balanced perspective in the analysis of matters within its purview.

Acerinox makes a particular effort to seek out candidates who meet the required profile as vacancies arise, an objective established in the aforementioned Policy. All of this has led to a progressive increase in the number of female Directors from 23.08% in 2018 to 36.4% as of December 31, 2025, currently meeting the threshold established for Boards of eleven (11) members in accordance with the guidance issued by the Spanish National Securities Market Commission (CNMV) on October 2, 2025 regarding the application of Organic Act 2/2024 of August 1 on equal representation and the balanced presence of men and women Likewise, among the Independent Board Members, female members represent 57.14% of the Board.

The appointments policy pursued by the Company in recent years demonstrates that not only are there no implicit biases that could entail any discrimination or hinder the election of female Directors, but that the appointment and re-election of female Directors meeting all the essential requirements for the proper discharge of their duties has been actively sought.

Members of the Board of Directors possess knowledge and professional backgrounds spanning a wide range of sectors: from industry and commerce to investment banking and finance, as well as specialization in auditing, 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.

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 serves as a guide for all board member selection processes and assignments to specific Committees.

The competency matrix details the capabilities of Acerinox's eleven Directors at the close of fiscal year 2025.

Competency matrix of the Board of 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.

The Board of Directors holds all the non-delegable powers established by the consolidated text of the Spanish Corporate Enterprises Act, approved by Royal Legislative Decree 1/2010 of July 2, as well as those set out in the Board of Directors Regulations, including setting the Group's sustainability strategy and policies and overseeing their implementation.

As the body responsible for the Company's overall strategy, the Board of Directors incorporates sustainability matters into its decision-making, and is regularly presented with updates on the Group's targets and progress in these areas.

Specifically, 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. For more information, see the list of material issues in Annex 8.5.

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 functions also include supervising and monitoring the implementation of the Group's sustainability plan, receiving periodic reports from the areas responsible in 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 and may propose to the Board of Directors any amendments to it that it deems appropriate.

During fiscal year 2025, the Sustainability Committee focused its oversight on the following priority actions:

Monitoring of KPIs and sustainability targets, Sustainability Plan and ESG ratings

It ratified the Global Sustainability Plan 2025 (360° Positive Impact Plan), which is structured through local plans that serve as operational road maps. These local road maps enable the Group's strategy to be adapted to the specific characteristics and needs of each market where Acerinox operates.

It monitored key performance indicators (KPIs) and sustainability targets, assessing both the implementation of action plans and the adequacy of the resources allocated to their fulfillment.

It received periodic reports on results in the main ESG ratings (S&P Global, CDP, ISS ESG, MSCI and EcoVadis, among others). This monitoring makes it possible to track the external perception of the Company's performance and guide the actions needed to deepen its sustainability commitments.

Monitoring of the Consolidated Non-Financial Information Statement (NFIS) and Sustainability Reporting

It oversaw the preparation of the 2024 NFIS and Sustainability Report, drawn up under the Corporate Sustainability Reporting Directive (CSRD) standards. Following its review, the report was referred to the Audit Committee for subsequent proposal for approval by the Board of Directors.

Review of ESG indicators for the calculation of senior management bonuses

It analyzed the weighting of sustainability factors in Senior Management variable remuneration for fiscal year 2025. Following this review, the Appointments, Remuneration and Corporate Governance Committee defined the weighting of ESG indicators in the Group's incentive system. The details of these metrics is described in the section on: "Sustainability in the incentive system".

Approval of the 2030 carbon emission reduction target and associated decarbonization plan

It referred the new 2030 decarbonization targets to the Board of Directors for approval. These more ambitious targets, grounded in scientific criteria under the SBTi (Science Based Targets initiative) methodology, seek to be aligned with the scenario of limiting global warming to 1.5°C. The commitment encompasses a reduction in Scope 1 and 2 emissions by 3. In addition, a Scope 3 reduction target has been set for the same year. The Committee also proposed to the Board the approval of the associated Decarbonization Plan for the achievement of these targets.

Review of sustainability policies and the Code of Conduct

It referred the revisions of all sustainability policies to the Board of Directors for approval. This process drew on the advice of an external expert and was aimed at aligning internal regulations not only with the CSRD Directive but also with market expectations, international best practices and the Board of Directors Regulations. This comprehensive review encompassed the policies on Sustainability, Due Diligence, Human Rights, Health, Safety and the Environment, Climate Change, Equality, Diversity and Inclusion, and Sustainable Purchasing. Following the review process, the Board of Directors approved the new regulatory framework at its meeting on February 25, 2025.

In addition, on October 29, 2025, the Board of Directors approved the Acerinox Group Code of Conduct, upon the joint proposal of the Sustainability and Audit Committees.

Review of the Board of Directors Regulations

The Committee completed the review of the Board of Directors Regulations in order to harmonize sustainability responsibilities between the Sustainability and Audit Committees. This update ensures alignment with Technical Guide 1/2024 on Audit Committees at Public Interest Entities. The resulting amendments were ratified by the Board of Directors on March 24, 2025.

Other activities

The Committee also oversaw key milestones for the Group, such as the launch of the sustainable product EcoACX®, climate risk analysis and the human rights due diligence project. Its oversight extended to the areas of Human Resources, Health, Safety and the Environment, and the supply chain, ensuring compliance with applicable regulations at all times. Lastly, the Committee's Annual Activity Report for the prior fiscal year was approved.

The Committee received training on the liability of officers and Directors in offenses against workers.

The Sustainability Committee maintains direct communication with Sustainability Management, which is responsible for coordinating the Group's sustainability 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, safety and health 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. This ensures ongoing coordination between the Sustainability Department and the various corporate areas linked to the Company 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. Mr. Tomás Hevia Armengol is also a member of the Audit Committee and the Sustainability Committee.

Acerinox has also developed an 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 financial parameter and sustainability criteria such as safety at work, GHG emissions, water consumption, diversity, and recycling. The weighting of these goals in the total computation of the bonus may not be less than 10%.

Following the review of the Sustainability Committee, the Appointments, Remuneration and Corporate Governance Committee proposed that the weighting of sustainability indicators in the Acerinox Group's Senior Management bonuses for 2025 should increase to 15% in the case of the Chief Executive Officer and the Chief Corporate Officer, 20% in the case of the Secretary-General, and 10% for the other members of Senior Management.

The ESG indicators used to calculate the Senior Management variable remuneration for 2025 are as follows:

a. A 10% reduction in the lost-time injury frequency rate (LTIFR) compared to fiscal year 2024, with a weighting of 40%.

b. 6.76% reduction in the greenhouse gas emissions intensity (Scope 1 and 2) compared to 2024, with a weighting of 15%.

c. A 3% reduction in blue water footprint intensity compared to fiscal year 2024, with a weighting of 15%.

d. 2.10% increase in the waste recycling ratio compared to 2024 levels, with a weighting of 15%.

e. 0.27% increase in the number of women in the Group's workforce compared to 2024 levels, with a weighting of 15%.

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.

The Sustainability Committee and the Appointments, Remuneration and Corporate Governance Committee validated ESG goals attainment at around 80%. This result represents a very significant improvement on the 59% recorded in fiscal year 2024.

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. See section on Parameters and goals.

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 are taken into account in the management of IROs (Impacts, Risks and Opportunities) and have been incorporated into the development of the new Sustainability Due Diligence Policy, which was approved in early 2025. Various sources of information—such as the ethics channel, customer complaints and stakeholder consultations—were previously integrated into the double materiality analysis for the identification of material IROs.

Parameters and goals

Within the four key areas of Acerinox's strategy, the 360° Positive Impact Plan stands out as the expression of the Group's commitment to sustainability. The five pillars are a direct response to the double materiality analysis and the Group's strategy. Through this commitment, the Company activates value creation levers and set out a road map with clear long-term goals.

These targets are monitored monthly by the sustainability managers at each factory and validated by the corporate sustainability team. On a quarterly basis, the Sustainability Committee assesses progress, reports to the Board of Directors and defines the relevant corrective actions.

The annual variable remuneration system links the performance of senior managers to the achievement of these goals. In 2024, the CO_2 emission and water intensity reduction targets were revised for fiscal year 2025. The new carbon emission reduction target was approved as part of the climate mitigation plan, aiming for compatibility with the goal of limiting global warming to 1.5°C and based on science (SBTi), and the water consumption intensity target, focusing on improving the intensity of the blue water footprint.

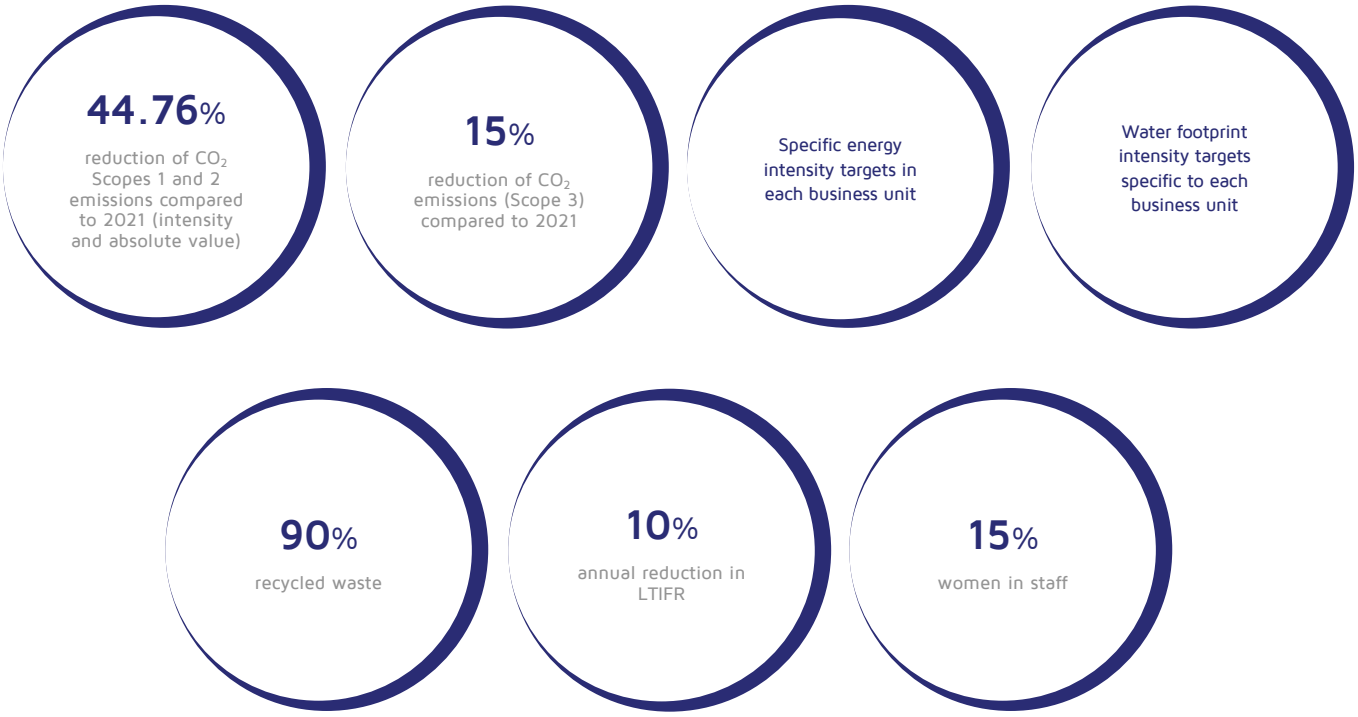
The goals are rolled out across the organization and, for fiscal year 2025, are directly aligned with the pathway established toward 2030, the following being of particular note:

Pillar	2030 targets	Target 2025	Variable remuneration targets 2025 vs 2024	Real 2025	Real 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 (Scope 1+2)	-6.97%	0.925 tCO_2/ metric ton of steel	-13.4%
	3% reduction in blue water footprint intensity	-3%	1.97 m^3/metric ton of steel	2.56 m3/metric ton of steel	+26.2%
	90% waste recycled	84%	+2.1%	79.36%	-3.6%
	10% annual reduction in LTIFR	3.2 LTIFR	-10%	3.01 LTIFR	-15.2%
	15% women on staff*	13.66%	+0.27%	13.54%	+0.15%

* This target did not include Haynes, which will be incorporated into the target as of 2026.

In 2025, the carbon intensity target was revised to incorporate Haynes and has been set at a reduction of 44.76% in Scope 1 and 2 emissions by 2030 compared to 2021, and 15% in Scope 3 emissions over the same period. In addition, the energy intensity targets have been revised and the water footprint target has been refined. In both cases, the decision was taken to set specific targets for each business unit, taking into account the operating characteristics of each plant.

Commitment to the future. 2030 targets.



The targets linked to variable remuneration for 2026, in line with the target's review carried out and compatible with the 2030 Group road map, are as follows:

Pillar	2030 targets	Target 2026	Variable remuneration targets 2026 vs 2025
	44.76% reduction in CO_2 emissions intensity (Scopes 1 and 2) compared to 2021	0.946 tCO_2/metric ton of steel (Scope 1+2)	-4.54%
	Specific water footprint intensity targets for each business unit	Specific targets by factory	
	90% waste recycled	81%	+2.07%
	10% annual reduction in LTIFR (over 2025 target)	2.9 LTIFR	-3.65%
	15% women on staff*	14.71%	+0.11%

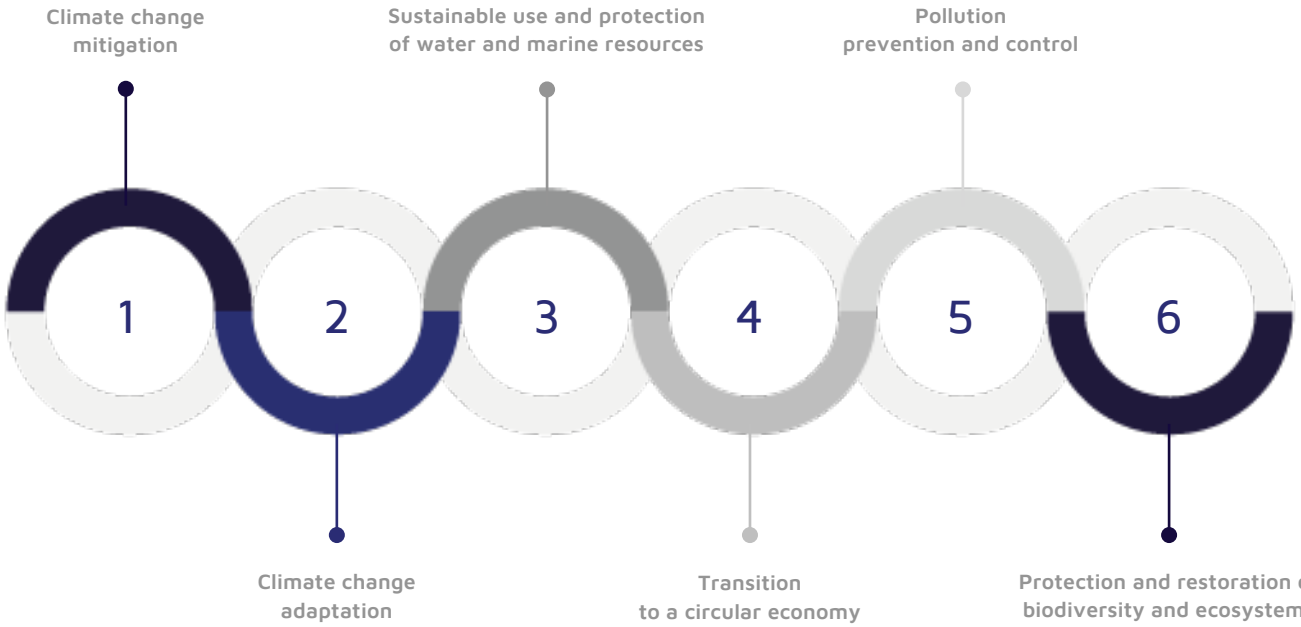
*Increase in the percentage of women on staff compared to the previous year

7.2 Environmental information

European Taxonomy on sustainable finance

The EU Taxonomy forms part of the Commission's Sustainable Finance Action Plan. Its purpose is to redirect capital flows toward sustainable investments by establishing a harmonized classification system. This provides a technical basis and a common language for identifying environmentally sustainable economic activities.

In June 2020, Regulation (EU) 2020/852 was approved, establishing the criteria for determining whether or not an investment can be classified as sustainable. This regulation establishes six fundamental environmental goals.



To supplement the Regulation, the EU adopted several delegated acts clarifying its interpretation. These documents detail the technical criteria for three key aspects: substantial contribution to a goal, the absence of significant harm to others (DNSH) and compliance with minimum social safeguards.

The Regulation requires non-financial companies to disclose the eligibility and alignment of their key indicators (revenue, CAPEX and OPEX). Within this framework, Acerinox, with a presence on five continents in the stainless steel sector, reports these figures to demonstrate the sustainable nature of its activities.

At the close of 2025, the Group's production network comprised 15 factories organized into two major divisions. The stainless steel division operated five plants: three integrated mills (Acerinox Europa, NAS and Columbus Stainless) and two long products plants (Roldan and Inoxfil). The high-performance alloys division had ten facilities: VDM's seven plants in the US and Germany, plus Haynes International's three US plants, acquired in late 2024

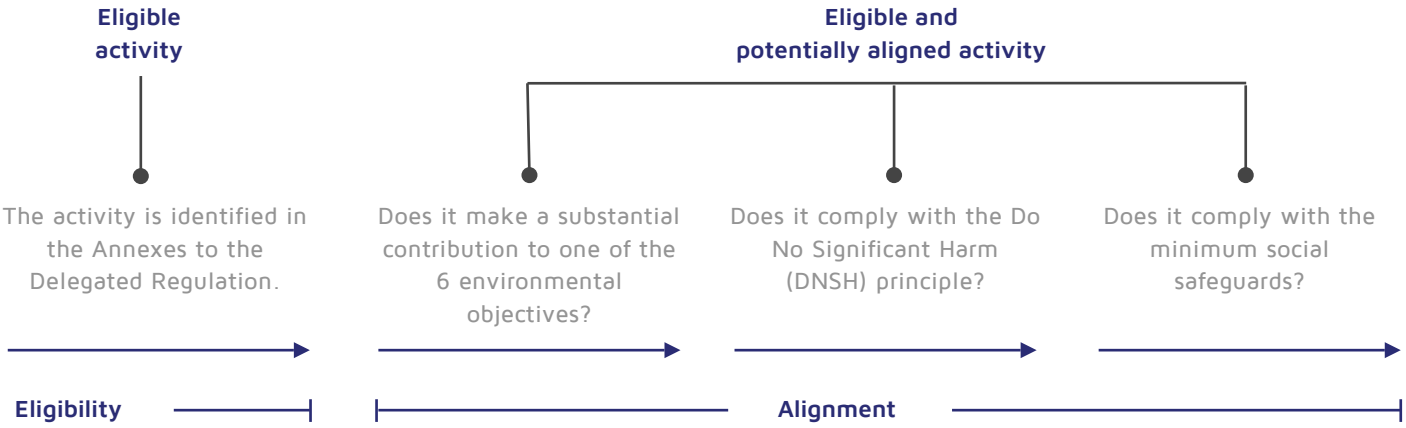
The integrated manufacturing cycle encompasses three fundamental stages: steelmaking and rolling processes, both hot and cold.

In the steelmaking stage, raw materials—mainly scrap and ferroalloys—are melted to produce stainless steel. The process begins in electric arc furnaces at over 1,600°C. Once molten, the steel is transferred to the AOD converter for decarburization and refining. Finally, it is transported by ladle to the continuous casting machine, where residual slag is removed and final refining of the product is completed.

Taking advantage of the plasticity of steel at high temperatures, hot rolling transforms the slabs by reducing their thickness or diameter. After passing through the walking beam furnace, the material travels through the roughing and finishing mills. During this cycle, descaling systems are used to clean the surface before the resulting strip is coiled to form the final coils.

In the final stage, cold rolling, the steel undergoes heat treatment to restore its properties. It then passes through a mechanical and chemical cleaning process that removes any oxide from the surface.

Acerinox carried out an exhaustive analysis of its operations to determine the Group's economic activities and subsequently identify eligible activities. It then assessed compliance with the technical screening criteria and contribution to environmental targets in order to ultimately determine which qualify as aligned activities.



Acerinox uses an analytical platform that enables both input data and results to be recorded, serving as documentary support and ensuring full traceability of the process.

Eligibility

The Group has identified the 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.

Alongside its core activity, Acerinox manages cross-cutting processes that have been identified as eligible under the Climate Change Mitigation target.

Once these 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 (CE) No 1893/2006 (NACE). Acerinox's activity falls under Section C (Manufacturing), specifically Division 24 (Metallurgy; manufacture of iron, steel and ferroalloy products).

Activities corresponding to NACE codes 24.10, 24.20, 24.31, 24.32, 24.33, 24.34, 24.51 and 24.52 are eligible and qualify as transitional activities (pursuant to Article 10.2 of EU Regulation 2020/852) where they meet the applicable technical screening criteria.

The applicable NACE code was identified for each Group company, cross-checking it against the eligible codes referred to above. An exhaustive analysis of the activities was also carried out to validate their correspondence with the European Taxonomy definitions.

Based on this analysis, activities such as flood protection, waste recovery, building renovation and preparation for the reuse of products and product components are considered eligible. However, given that stainless steel production encompasses both upstream and downstream processes, these activities are operationally and accounting-wise integrated into the main production process and are reported jointly under the Climate Change Mitigation target. In conclusion, the manufacture of basic iron and steel and ferro-alloys (NACE 24.10) linked to the Climate Change Mitigation target is considered eligible.

Along these lines, the Company is working to increase the granularity of information in order to identify measures that may be reported under the Climate Change Adaptation target. In the coming fiscal years, Acerinox plans to expand the breakdown of CAPEX and OPEX information in relation to the remaining environmental goals.

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

The production of high-performance alloys and the production of stainless steel long products do not meet the description of eligible activity.

Alignment

For an eligible economic activity to be considered aligned, it must demonstrate compliance with the criteria set out in Article 3 of Regulation (EU) 2020/852:

- Substantial contribution to one or several of the 6 environmental objectives.
- No significant harm (Do No Significant Harm — DNSH) to the remaining objectives.
- Compliance with minimum social safeguards.

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.

The alignment analysis excludes companies that, despite participating in the production chain, do not have an electric arc furnace. As the melting phase is not performed, it is not possible to verify the required scrap utilization criteria. Therefore, compliance with the substantial contribution is only assessed at factories with their own melting shop: Acerinox Europa, NAS and Columbus Stainless.

Therefore, alignment requires a minimum scrap content of 70% in production. Verified calculations show that Acerinox Europa, NAS and Columbus Stainless meet this requirement, with scrap usage ratios that reach 90%, well above the required threshold.

Once the substantial contribution requirements of eligible activities have been analyzed, their alignment with the Do No Significant Harm (DNSH) principle is assessed, as explained below.

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

It was then verified that each of the companies complies with the requirements established to ensure the absence of significant harm to the remaining environmental targets.

Climate change adaptation

During fiscal year 2025, the Acerinox Group updated its climate risk and opportunity analysis in line with the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures). This new study covers all of the Group's own assets and extends its scope to the value chain.

For physical risks, the most adverse IPCC climate scenarios in terms of emission concentrations (SSP5-8.5 and SSP3-7.0) were considered, verifying all climate hazards classified under the Taxonomy regulation.

With regard to aligned companies, the analysis identified water stress as the only material physical risk, at the Acerinox Europa (Algeciras, Spain) and Columbus Stainless (Middelburg, South Africa) plants. In response, adaptation measures focused on water consumption efficiency have been implemented, with reduction targets also integrated into the variable remuneration of the workforce.

In addition, as a result of the climate risk analysis, an Adaptation Plan has been drawn up for implementation over the coming fiscal years. The purpose of this plan is to reduce exposure and vulnerability to the material physical risks identified at the facilities. For more information, see the "Climate Change" chapter.

Sustainable use and protection of water and marine resources

Acerinox Europa, Columbus Stainless and NAS hold Integrated Environmental Permits and the relevant authorizations to prevent water pollution and regulate the abstraction and consumption of water resources. At facilities located in water-stressed areas, continuous improvement actions were set out within the framework of the environmental management objectives.

The section on 'Water and marine resources' expands on this area, including detailed data on water abstraction and discharge in both water-stressed and non-stressed areas.

The facilities also have Environmental Impact Assessments that rule out risks of deterioration of the ecological status of the affected water bodies. Additionally, the water footprint of all Group companies has been calculated to monitor their overall impact

In addition, it was evaluated whether the activity of aligned companies has a negative impact on seawater. The only company that discharges water into the sea is Acerinox Europa in the Bay of Algeciras through a collector. This discharge is subject to regular analysis in accordance with the Plan for the Monitoring and Control of the Receiving Environment.

In the case of Columbus Stainless, given that it is located in a water-stressed area, the factory operates under a zero-effluent discharge regime.

Lastly, NAS, whose wastewater is discharged into the Ohio River, has strict measures in place to prevent and manage any substance spills. The facility has acid and alkaline water neutralization plants, as well as containment ponds and other mechanisms to protect the natural environment. The tanks are equipped with secondary containment systems, and emergency shutdown services. The final effluent is returned to the river in equal or better conditions, thereby avoiding any adverse environmental impact.

Transition to a circular economy

In accordance with the requirements of the European Taxonomy, the iron and steel manufacturing activity does not have a significant impact on this target. Therefore, the assessment of the DNSH principle is not applicable.

Pollution prevention and control

The Company maintains strict compliance with the emission limits established by the sectoral Best Available Techniques (BAT). Its products also rigorously comply with applicable regulations on the use and presence of hazardous chemical substances.

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 system establishes the management procedures necessary for the Company to control the environmental aspects of its activities and manage their impact on the environment. Likewise, internal and external ISO 14001 certification audits include, on a recurring basis, a thorough review of compliance with the aforementioned regulatory requirements.

Acerinox Europa, for its part, is subject to direct oversight by the Regional Government of Andalusia, whose technical services periodically assess legal compliance under the official facility inspection and monitoring program.

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

The absence of manufacture or marketing of substances restricted by the Taxonomy is certified, such as Persistent Organic Pollutants, SVHC substances (REACH Regulation) or mercury-containing products. With regard to the latter, the companies mitigate the risk of contamination by applying BAT to the control of incoming scrap and by contractually requiring suppliers to deliver material free of hazardous components.

The facilities limit the presence of ozone-depleting substances to authorized auxiliary uses (refrigeration systems). The management of this equipment is strictly governed by the legal requirements for operation and maintenance, ensuring proper recovery and end-of-life management to prevent atmospheric emissions.

Full compliance of products with the RoHS Directive (2011/65/EU) is ensured. As attested by the official declarations of Acerinox Europa, Columbus Stainless and NAS, stainless steel does not contain restricted substances at levels exceeding those permitted under Annex II.

Protection and restoration of biodiversity and ecosystems

The Company has valid Environmental Impact Assessments (EIA) in place at its production centers, in compliance with applicable regulations. In addition, the Group has updated its environmental sensitivity analysis using the IBAT (Integrated Biodiversity Assessment Tool), verifying the location of its facilities in relation to protected areas and Key Biodiversity Areas (KBAs).

Factory	Surface area (hectares)	Protected areas	KBAs
Acerinox Europa	110.85	26	6
North American Stainless	400	4	0
Columbus Stainless	400	4	1

KBAs: key biodiversity areas

The activities of Acerinox Europa, NAS and Columbus take place in settings close to various protected areas (such as the Natura 2000 Network and local nature reserves). However, environmental assessments and management plans have verified the absence of significant adverse impacts on these areas.

The Acerinox Europa plant is located near Natura 2000 Network areas such as El Estrecho, Los Alcornocales and Las Marismas del río Palmones. The Environmental Impact Study and the Integrated Environmental Authorization confirm the absence of significant impacts in these protected areas.

The Columbus Stainless plant, located adjacent to the Vaalbank Nature Reserve, operates under a strict Biodiversity Management Plan that ensures the protection of the surrounding environment. In partnership with local experts, ongoing conservation work is carried out on native flora and fauna, ensuring that operations do not alter the natural balance of the reserve.

The NAS factory is located near the Splinter Ridge and Switzerland Hills Fee protected areas. It has been confirmed that there is no significant negative impact resulting from its industrial activities.

In the context of climate risk analysis, Acerinox has carried out an assessment of its position with regard to natural capital. To this end, it has used the methodological framework of the Taskforce on Nature-related Financial Disclosures (TNFD).

A structured methodology has been implemented to comprehensively assess the relationship between the value chain and nature. Based on the four phases of the LEAP model (Locate, Evaluate, Assess and Prepare), this tool facilitates the identification and prioritization of the most significant environmental risks and opportunities.

First, sectoral dependencies and impacts on natural capital components throughout the value chain and the Company's own operations were identified and assessed using the ENCORE tool (Exploring Natural Capital Opportunities, Risks and Exposure).

The state of nature at the locations where the Company's factories are situated was then assessed for each ecosystem component (biodiversity, soils and sediments, terrestrial geomorphology, water, soil structure integrity and atmosphere).

The findings from the preceding stages have been consolidated into a natural capital assessment matrix for each factory. The matrix shows that risks are medium or low across all components, except for water risk at Acerinox Europa and Columbus. These factories present a high environmental materiality profile (in terms of both dependencies and impacts) and are located in settings with high levels of water stress and ecological vulnerability.

Compliance with minimum social safeguards

Acerinox complies with minimum social safeguards in terms of human rights, corruption and bribery prevention, fair competition, and taxation. The Group's General Human Rights Policy, available on its website and renewed in early 2025, sets out Acerinox's commitments in accordance with the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights.

In 2025, the Group approved its new Sustainability Due Diligence Policy. Under this renewed framework, Acerinox is advancing in the consolidation of its human rights management model, systematizing the identification, prevention and mitigation of adverse impacts (actual and potential) arising from its operations and value chain. A strategic project is currently under way to define and implement a strengthened due diligence model, designed to ensure full alignment with the new Corporate Sustainability Due Diligence Directive (CSDDD) and other emerging standards.

It is worth noting that throughout 2025, the Group did not receive any complaints or reports of human rights violations through its ethics channels. Further information is provided in the Due Diligence and Business Conduct sections.

The Group extends its commitment to sustainability to the entire supply chain. Through its Sustainable Purchasing Policy (publicly available on the corporate website), Acerinox regulates the procurement of goods and services by integrating ESG (environmental, social and governance) criteria alongside economic competitiveness requirements. This regulatory framework defines the principles and common objectives for all Group companies.

The Group also regulates its supply chain through the Code of Conduct for Business Partners, which sets out the requirements for suppliers and external partners. Acceptance of this code is a binding condition in all contracts. This framework brings Acerinox's internal regulations into line with the most demanding global standards, ensuring respect for the principles of the Global Compact and the ILO labor guidelines.

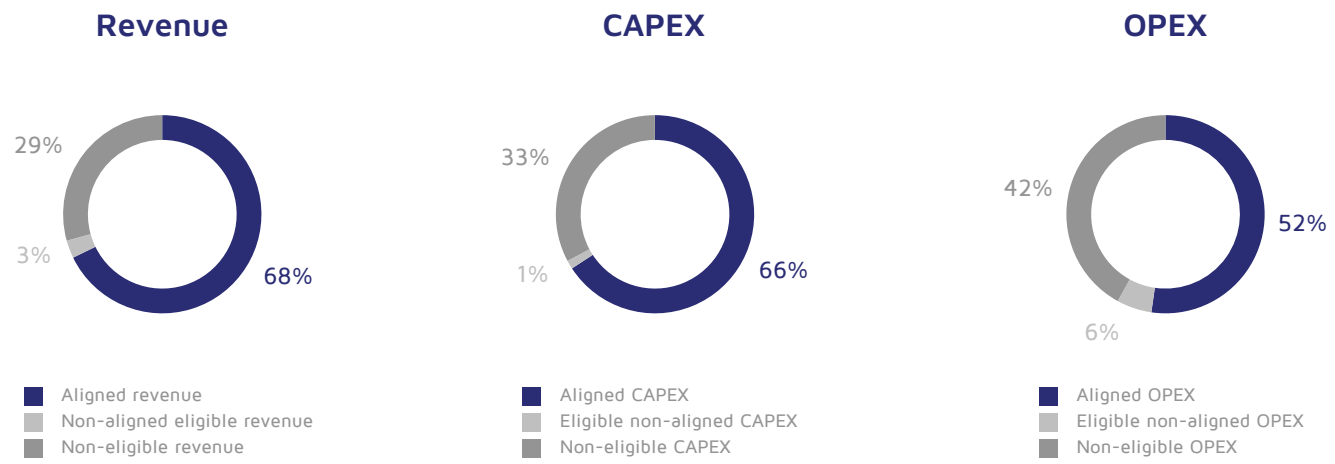
The Group's purchasing strategy rests on three fundamental pillars, one of which focuses exclusively on compliance with ESG standards and the comprehensive management of supply chain risks. For a detailed breakdown of these actions, please refer to the Workers in the value chain chapter.

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 the area of prevention, two recent milestones stand out: the certification of the crime prevention model (UNE 19601 standard) at Group level in 2024 and the attainment of ISO 37001 (Anti-Bribery Management) by Acerinox S.A. in 2025. The Group remains committed to expanding the international reach of these standards in the short and medium term.

As evidence of its commitment to best tax practices, Acerinox reaffirms its adherence to the Code of Good Tax Practices. This transparency policy is reflected in its active participation in the Large Companies Forum and in the voluntary annual filing of the Tax Transparency Report with the Spanish tax authorities. In recognition of this performance, the Group has been awarded the 'T de Transparente' seal by the Haz Foundation in its highest category, three stars. This award certifies Acerinox's excellence in responsible taxation and good corporate governance.

This report includes details of the tax contribution in the countries where the Company operates, as well as the general tax policy. For further information, please refer to section 4.8 Responsible tax policy and the specific tax contribution data in Annex 8.2 Additional NFIS Information.



Annex 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

The 360° Positive Impact Plan constitutes the road map with sustainability performance targets based on international standards such as the Paris Agreement and the priorities set by the 2030 Agenda, among others.

The Group's remuneration policy links part of the variable remuneration of the CEO and members of the Management Committee to the achievement of sustainability targets, such as the reduction of CO_2 emissions.

The CO_2 emission intensity target (Scope 1 and 2) linked to 2025 remuneration was set at 0.993 tCO_2/metric ton, representing a 6.76% decrease compared to 2024. This target applies to the entire Group, including the stainless steel and high-performance alloys divisions, with the exception of Haynes.

The Appointments, Remuneration and Corporate Governance Committee set the 2025 targets on the basis of operational rigor, excluding Haynes owing to the recent date of its acquisition. This approach ensured the robustness of the metrics during the transition period. The annual variable remuneration bonus is determined based on the achievement of financial and non-financial targets, such as those related to sustainability. Climate change is specifically included among these goals. In 2025, 15% of the CEO's bonus and 10-20% of the bonuses of the other members of Senior Management were linked to sustainability targets. The CO_2 emissions intensity reduction target accounts for 15% of the sustainability targets. In 2025, the target related to climate change reached 100% compliance, entailing a weighting between 1.5% and 3% of senior management's remuneration:

Pillar	2025 targets	Real 2024	Real 2025	2025 vs 2024
Eco-efficiency and climate change mitigation	Reduction in CO_2 emissions intensity (Scopes 1 and 2)	1.07	0.93	-13.4%

The CO_2 emissions intensity ratio (Scope 1 and 2) is calculated by dividing the estimated Scope 1 and 2 emissions from the 2025 GHG Inventory by the total metric tons produced. The 2024 perimeter includes Acerinox Europa, NAS, Columbus Stainless, VDM Metals, Roldán, and Inoxfil. The 2025 perimeter has been updated to include Acerinox Europa, NAS, Columbus Stainless, VDM Metals, Roldán, and Inoxfil.

Strategy

Transition plan for climate change mitigation

E1-1

Acerinox reaffirms its commitment to climate change mitigation, setting a clear ambition to significantly reduce emissions in pursuit of alignment with the Paris Agreement, which seeks to limit global warming to 1.5°C above preindustrial levels. Acerinox's Decarbonization Plan comprises a range of levers that enable it, on the one hand, to progressively decarbonize its own activities by reducing its Scope 1 and 2 emissions and, on the other, to contribute to the decarbonization of the value chain.

The Decarbonization Plan 2025-2030 is underpinned by the commitment made by the Company under its 360° Positive Impact Plan, the strategic framework through which sustainability is integrated across Acerinox.

The Company has undertaken various actions and investments in the area of climate change to address the challenges it presents. To gauge the validity and effectiveness of its performance against international standards, Acerinox participates in voluntary sustainability programs and initiatives that assess the Company's performance in climate change mitigation and adaptation. These include, among others, the Carbon Disclosure Project (CDP) questionnaire. In 2025, the Acerinox Group successfully renewed its 'B' rating in the Climate Change category. This rating not only recognizes Acerinox as an organization that transparently reports its climate information but also distinguishes it as a company that actively and effectively manages its climate challenges and opportunities, demonstrating a commitment that goes beyond mere compliance.

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

The Decarbonization Plan 2025-2030 is a key tool for mitigating climate risks and capitalizing on new opportunities. Its design is fully aligned with the 360° Positive Impact Plan commitment and the Group's overall strategy.

It is based on a bottom-up approach, developed in collaboration with the technical and strategy teams and the CEOs of each factory. This method ensures consistency with local strategies and integrates emission reduction initiatives from corporate strategic plans (Beyond Excellence 2024-2026 and 2026-2028).

The Decarbonization Plan is structured around eight decarbonization levers, detailing estimated GHG emissions, the reduction targets established, and the actions already implemented and planned to achieve those targets, including the investment required and the economic and CO_2 emission savings for each.

The main decarbonization levers are described below:

- 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, 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. green 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 raw materials or ferroalloys with a low carbon footprint: prioritization of suppliers and purchase of raw materials or ferroalloys that have a lower carbon footprint.

The Decarbonization Plan and the ambitious emission reduction targets proposed for 2030, both at Group level and for each factory, were presented to Senior Management, specifically the factories CEOs and the Group CEO, who endorsed the initiative. Final approval was formalized in January 2025 by the Board of Directors, upon the proposal of the Sustainability Committee. Oversight of the targets is conducted periodically to ensure an agile response to any deviation or change in the operating environment. The Sustainability Director reports to the Sustainability Committee on the assessment of performance and progress of the Plan and the targets on at least a quarterly basis.

Each year, a specific Scope 1 and 2 emission reduction target is established, defined and approved for the following fiscal year. This target applies both to the Group as a whole and to each factory, ensuring that the Company advances on its path toward decarbonization in line with the medium-term targets set.

The Decarbonization Plan incorporates demanding Scope 1 and 2 emission reduction targets. These targets are designed to be compatible with limiting global warming to 1.5°C and are science-based (SBTi), entailing a 44.76% reduction 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 benchmark indices aligned with the Paris Agreement. In 2025, Haynes was integrated into the overall target and a specific target was defined for each plant for the 2026-2030 horizon. To set this target, the SBTi methodology was used, applying the same emission reduction percentages established by the SBTi

tool for Acerinox's new perimeter (including Haynes): 44.76% for Scope 1 and 2 emissions. In addition, a 15% reduction target has been set for Scope 3 emissions. Section E1-3 describes the plan's decarbonization levers and its quantitative contributions to reach the listed targets.

The emissions that would be avoided annually through the implementation of these measures were calculated during the target-setting process. Given current technological limitations in eliminating all emissions, the Group prioritizes the deployment of cutting-edge solutions and will assess the acquisition of carbon credits to offset unavoided emissions.

However, the Decarbonization Plan adopts a conservative approach by integrating only technologies that are currently commercially available. This methodology mitigates the risk of non-compliance with the approved reduction targets.

For the execution of this Plan, Acerinox allocated CAPEX exceeding €5 million in 2025 (€2 million in 2024). Of this investment, 67% corresponds to energy efficiency, 14% to increasing the use of scrap, 11% to boosting heat systems and 8% to other decarbonization levers. Additionally, the OPEX estimate associated with this plan was more than €16 million in 2025 (€28 million in 2024). Annual CAPEX and OPEX investment is expected to remain at similar levels for the next few years (2026-2030).

The Plan is aligned with the Taxonomy, as described in the section "European Taxonomy on Sustainable Finance." However, some Group companies do not meet the taxonomy criteria due to the nature of their business or operations. Therefore, taxonomic CAPEX and OPEX only include the Acerinox Europa, NAS, and Columbus Stainless figures. In 2025, 58% of CAPEX and 55% of OPEX were associated with Taxonomy-aligned activities (49% and 95% in 2024). For more information, see Note 9. Property, plant and equipment — Environment and Note 18.3 Other operating expenses in the Consolidated Annual Financial Statements. No initiatives have been identified within the Mitigation Plan aimed at adapting economic activities to the requirements of the Taxonomy.

The Group is exempt from reporting CAPEX relating to the coal, oil and natural gas sectors, as it does not carry out economic activities linked to fossil fuels.

The Decarbonization Plan is complemented by the Climate Adaptation Plan, developed in 2025. The latter is based on the findings of the climate risk analysis carried out during the same year. The integration of both plans ensures a dual and coherent approach. Whereas the Decarbonization Plan focuses on reducing GHG emissions and minimizing the contribution to climate change by addressing its causes, the Adaptation Plan focuses on managing the consequences, preparing the organization to handle the inevitable impacts of a changing climate, ensuring business continuity and protecting assets.

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

SBM-3

The double materiality analysis allowed to identify and assess all sustainability aspects with significant relevance for the Group. Included in the 2025 list of material impacts, risks and opportunities are those related to the climate, covering the Company's own operations and its value chain. For more information on the materiality process, see the "Result of the double materiality analysis" in section 7.1 (General information).

Annex 8.5, List of material IROs, details the climate-related impacts, risks and opportunities. These IROs have been reviewed in light of the findings from the climate risk analysis carried out in 2025.

The assessment of physical and transition climate risks was conducted in accordance with the Task Force on Climate-Related Financial Disclosures (TCFD) methodology and ISO 14091. The IPCC scenarios for physical risks were taken into account in the transition and climate risk analysis. For further information, see the section on Impact, risks and opportunity management.

The Group has also calculated its water footprint and is currently working on various projects aimed at optimizing water consumption efficiency.

Acerinox manages significant IROs associated with climate change mitigation and adaptation at all levels of the organization. For example, its worth highlighting the 360º Positive Impact Plan, which sets targets for the most significant climate-related IROs: energy, emissions and water use.

As part of the climate risk and opportunity assessment process, Acerinox has carried out a climate resilience analysis, maintaining the same scope, time horizons and scenarios defined in that assessment.

The climate resilience analysis demonstrates that the physical risks facing Acerinox's facilities depend on the specific location of each asset, the nature of the production processes and the sensitivity of critical infrastructure to the adverse weather events considered.

The Adaptation Plan substantially reduces risk levels, thereby strengthening the resilience of the Group's business model in the short, medium and long term, even under a very pessimistic scenario regarding the materialization of extreme climate change-related events. The measures envisaged in this plan directly reduce the severity with which certain impacts affect the operation of the facilities and, consequently, the magnitude of their financial consequences.

The insurance coverage against adverse weather events already in place is factored into this analysis as an additional layer of financial protection to bolster the climate resilience of Acerinox's operations. The policies held enable part of the financial risk associated with material damage and certain operational disruptions arising from extreme weather events to be transferred, thereby reducing the net economic impact on the organization should such events materialize.

The analysis of the exposure of Acerinox's main suppliers and customers to physical climate hazards in turn complements the assessment of the Group's climate resilience, recognizing that the materialization of such hazards may generate indirect impacts on operational and financial performance through the value chain.

With regard to climate transition, the assessment of organizational resilience to transition risks begins with the identification of those events that, in their inherent state, have been classified as high or very high risk under a scenario of very aggressive socioeconomic decarbonization.

The transition events assessed depend on factors that may materialize over different time horizons. As a starting point for mitigating climate transition risk, the Acerinox Group has a Decarbonization Plan, updated in 2025, which sets a target of a 44.76% reduction in Scope 1 and 2 emissions by 2030 compared to 2021, and a 15% reduction in Scope 3

emissions over the same period. The initiatives included in this Plan help mitigate the effects of transition risks and the magnitude of their financial consequences. Achievement of the 2025 target on the decarbonization pathway demonstrates the Company's progress and commitment in this area.

The Group's climate resilience is further strengthened by its ability to identify, manage and capitalize on opportunities associated with the transition to a low-carbon economy. Across the value chain as a whole, Acerinox is proactively positioning itself to respond to the regulatory, technological and market changes linked to the climate transition, which may generate positive financial impacts, both direct and indirect. Under an aggressive decarbonization scenario, these climate opportunities are expected to translate into a strategic competitive advantage for the Company over competitors with less capacity to adapt to the new economic and industrial paradigm.

Incident, risk, and opportunity management

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

E1 IRO-1

In 2025, the Acerinox Group updated its climate risk and opportunity analysis. This new analysis covers all of the Group's own assets (including factories, service centers, warehouses and main offices), also takes into account the main customers and suppliers of the production plants, and can be periodically updated through a proprietary tool.

In the initial phase, key stakeholders were consulted to prioritize the climate risks and opportunities to be considered in the analysis, covering issues relating to governance, strategy, risk management, metrics and targets. To this end, interviews were conducted with various stakeholders such as financial institutions, customers, suppliers and public bodies.

The climate risk assessment has been framed within climate scenarios aligned with best practices, and the typology of risks and opportunities has been expanded and systematized to meet regulatory requirements.

For this process, the Group follows the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and applies the standardized method set out in ISO 14091, which is aligned with the recommendations of the 5th Assessment Report of the Intergovernmental Panel on Climate Change (IPCC). According to this report, the concept of climate risk encompasses the following components:

- Climate hazard: Any climate-related event or hazard (physical or socioeconomic) with the potential to generate significant impacts. This covers both extreme weather events and disruptions to productive, social or financial systems arising from climate change.
- Exposure: The degree to which assets, activities, people or systems are located in contexts or areas susceptible to the adverse effects of climate change. This susceptibility may stem from physical hazards (such as extreme weather events or long-term trends) or transition events (such as regulatory, technological, market or reputational changes associated with decarbonization).
- Vulnerability (combination of sensitivity and adaptive capacity): The propensity of a system exposed to climate hazards to suffer damage or disruption. This propensity is determined by its sensitivity to the impact and its capacity to adapt to or respond to such hazards.

The inherent risk level for each climate hazard at each facility is calculated by multiplying the exposure and vulnerability criteria. The methodology establishes that inherent risks are deemed material if classified as high or very high.

The residual risk is then calculated for each climate hazard and asset. To this end, current and planned mitigation measures through to 2030 (including the Decarbonization Plan) have been taken into account for transition risks, and the measures included in the Climate AdaptationPlan for physical risks. The risk analysis examines climate risks across three time horizons: short, medium and long term. The short-term horizon (2026) 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 360° Positive Impact 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).

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 2025, the Group's total GHG emissions (Scopes 1, 2 and 3) were 6,342,271 metric tons of CO_2 equivalent. Even though the scope of the carbon footprint was expanded due to the inclusion of Haynes and increased production, overall emissions have decreased by 0.5% over the previous year (6,376,035).

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

Physical risks

Based on the climate scenarios proposed by the IPCC, the two options envisaging the highest concentrations of GHG emissions in the atmosphere were selected —that is, the two most pessimistic scenarios in terms of the materialization of a climate change situation across the different time horizons defined.

- **SSP5-RCP 8.5:** Very high emissions scenario, with a business-as-usual perspective. It projects that carbon dioxide emission levels will triple by 2075, with a 4.4°C increase in global temperatures. As regards socioeconomic implications, this scenario envisions a world with fossil fuel-driven development and growing integration of global markets. Progress is based on innovation and competitive markets, achieving rapid technological and human capital development. The world population peaks and begins to decline over the course of the 21st century. Local environmental problems are successfully managed.

- **SSP 3- RCP 7.0:** High emissions scenario. It projects that global temperatures will triple by 2100, with a global temperature increase of 3.6°C. As regards socioeconomic implications, this scenario is characterized by a rise in nationalism and regional rivalries, with energy and food security prioritized at the regional level. This results in decreased investment in education and technological development, slow economic growth and material-intensive consumption. Population growth is low in industrialized countries and high in developing countries. The low priority given to environmental issues leads to severe environmental degradation in certain regions.

The climate risk analysis covers a total of 66 Group assets, comprising all factories, service centers, warehouses and main offices. In addition, the main upstream and downstream value chain activities have been considered, including the three main suppliers and three main customers (prioritized by supply or sales volume) for each of the Group's 15 factories. The assessment covers all climate hazards established in the Taxonomy Regulation, on which the ESRS E1 standard bases its requirements.

	Temperature-related	Wind-related	Water-related	Solid mass-related
Chronic	Temperature variations	Changes in wind patterns	Changes in precipitation types and patterns	Coastal erosion
	Heat stress		Hydrological variability	Soil degradation
	Temperature variability		Ocean acidification	Soil erosion
	Permafrost thaw		Saline intrusion	Solifluction
			Sea level rise	
			Water stress	
Acute	Heat wave	Cyclone / Hurricane / Typhoon	Drought	Avalanche
	Cold wave / frost	Storms	Heavy precipitation	Landslides
	Wildfires	Tornadoes	Flooding	Land subsidence
			Glacial lake outburst floods	

Using geolocation based on the specific coordinates of the facilities and the value chain, exposure to climate hazards has been assessed across the scenarios and time horizons established, in accordance with the conditioning climate variables. The magnitude, probability and duration of climate phenomena are implicitly factored into the exposure through the specific considerations relating to the modeling of each risk type. The range of exposure values for these variables is segmented into five categories, from very low to very high.

The analysis draws on various databases from world-leading climate data providers (NASA International Best Track Archive for Climate Stewardship (IBTrACS) dataset, NASA Cooperative Open Online Landslide Repository (COOLR), Reports Points (Shapefile), Aqueduct 4.0 Current and Future Global Maps Data, Copernicus, etc.).

Vulnerability to physical risks was then assessed by the sustainability and risk managers at each facility, who drew on their experience and knowledge to evaluate the degree of vulnerability of their assets to exposure to the most relevant climate hazards at their facility. This assessment was based on the magnitude scale used in Acerinox's overall Risk Management System. The range of vulnerability values is segmented into five categories (negligible, low, moderate, significant and severe).

These qualitative vulnerability levels reported by the most relevant facilities have been used as a sample to extrapolate to the rest of the consolidation perimeter.

The risk level associated with each physical climate hazard is derived from a risk matrix that estimates the combined effect of the exposure and vulnerability variables. The same risk levels as in the overall Risk Management System are used: very high, high, medium and low.

In general, the inherent risk levels of Acerinox's own assets tend to be low. As in the preceding analysis, water stress represents a material inherent risk for Acerinox Europa and Columbus. Significant risks from extreme weather events (floods, storms, fires, etc.) have also been identified at certain facilities.

It should be noted that the risk levels referred to are inherent in nature, meaning they are prior to the consideration of any measures by Acerinox that could relate to physical climate risk adaptation. They have also been assessed under the most pessimistic very high emissions scenario (SSP5-RCP 8.5), with the aim of identifying the maximum potential vulnerability of assets and operations, thereby providing a solid basis for strategic planning and the prioritization of climate adaptation investment.

During the fiscal year, a Climate Adaptation Plan was drawn up, the implementation of which significantly reduces the risk level. Existing measures, both already implemented and in progress, have been identified, along with more than 200 additional adaptation measures derived from international best practices with a 2030 horizon. Of these, 60 are unique measures, given that several are applicable across different assets and/or to more than one risk type.

Transition risks

The transition risk analysis has been carried out using the most optimistic IPCC scenarios in terms of societies' capacity to mitigate climate change.

- SSP1-1.9: Very low GHG emissions scenario; global Net Zero is achieved by 2050. Global temperature increases by 1.6°C in the 2041-2060 period and 1.4°C in the 2081-2100 period. As regards the socioeconomic implications of this scenario, it envisions a world that is gradually but broadly shifting toward a more sustainable path, emphasizing more inclusive development that respects perceived environmental limits. The management of global commons slowly improves, while investment in education and health accelerates the demographic transition. The focus of economic growth shifts toward a broader emphasis on human well-being. Inequality is reduced both between and within countries. Consumption is oriented toward growth with lower material use and reduced resource and energy intensity.

- SSP2-4.5: Moderate GHG emissions scenario; current emission levels remain unchanged through to 2050. Global temperature increases by 2°C in the 2041-2060 period and by 2.7°C in the 2081-2100 period. As regards the socioeconomic implications of this scenario, it envisions a world that follows a path in which social, economic and technological trends do not deviate significantly from historical patterns. Development and income growth proceed unevenly, with some countries making relatively good progress while others fall short of expectations. Global and national institutions work toward achieving sustainable development goals, but progress is slow. Environmental systems experience degradation, although there are some improvements, and overall resource and energy use intensity declines. Global population growth is moderate and stabilizes in the second half of the century. Income inequality persists or improves only slowly, and challenges in reducing vulnerability to social and environmental changes remain.

Transition risks were identified and assessed by drawing up a preliminary list of market, regulatory, product, technology and reputational events arising from climate change that could potentially affect Acerinox's business lines, geographies and value chain. The list includes 33 transition risks and 16 transition opportunities. Transition events are contextualized within the established scenarios and time horizons.

Transition events were assessed using a combined approach, quantitatively for some and qualitatively for others. Where assessed quantitatively, an indicator is assigned to each event. Exposure is quantified by measuring the percentage variation between scenarios across 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. Exposure values are segmented into five categories, from very low to very high.

The vulnerability/impact component is assessed by assigning a weighting coefficient to each transition event that models the degree to which it is expected to affect Acerinox's operations. The range of vulnerability values is segmented into five categories (negligible, low, moderate, significant and severe).

As with physical risks, the risk level for each transition event is derived from a conventional risk matrix that estimates the combined effect of exposure and vulnerability. Risk levels are structured into four tiers: very high, high, medium and low, consistent with Acerinox's overall Risk Management System.

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, and mitigation and control measures that reduce the risk level have been identified.

Thematic area per TCFD	Risk	Geography	Time horizon	Scenario	Mitigation and control measures
Market	Energy consumption with high dependence on fossil fuels	Global	S/M/L S/M/L	SSP1-1.9 SSP2-4.5	– Promotion of heat recovery systems from process sources – Increased use of renewable energies and, in particular, renewable electricity. – Use of alternative low-carbon fuels (e.g. green hydrogen, biomethane)
Market	Changes in market trends and customer behavior, with increasing pressure on Acerinox to help customers meet their decarbonization targets	Global	S/M/L	SSP1-1.9	– Implementation of the Decarbonization Plan 2025-2030, entailing the setting of ambitious carbon intensity targets. – Developing Premium products that meet more stringent sustainability criteria (ECO ACX) (long-term).
Market	Changes in the supply and demand of raw materials critical to the business, affecting their price	Global	S/M/L L	SSP1-1.9 SSP2-4.5	– Optimization of plant operations seeking to maximize scrap use and reduce the use of ferroalloys and other raw materials. – Diversification of raw material suppliers from different countries, prioritizing those with a lower carbon footprint where possible. – Optimization of purchasing processes / stock management taking into account market variability and operational needs.
Market	Increase in carbon taxes on stainless steel imports into Europe (CBAM)	Africa	S/M/L S/M/L	SSP1-1.9 SSP2-4.5	– Implementation of the Decarbonization Plan 2025-2030, entailing the setting of ambitious carbon intensity targets. Key features of this Plan include improving energy efficiency, promoting heat recovery systems, increasing scrap use and raising the share of renewable energy. – Verification of actual CBAM emissions data (lower than default values)
Regulatory and legal	Increase in the costs associated with the European Emissions Trading System (EU ETS): rising prices, reduction in free allowances, etc.	Europe	M/L L	SSP1-1.9 SSP2-4.5	– Implementation of the Decarbonization Plan 2025-2030, entailing the setting of ambitious carbon intensity targets. Key features of this Plan include improving energy efficiency, promoting heat recovery systems, increasing scrap use and raising the share of renewable energy. – Looking into replacing natural gas with low-carbon fuels. – Promotion of heat recovery systems from process sources – Electrification of systems. – Availability of free emission allowances in the short term.
Regulatory and legal	Restrictions on access to financing (public or private) due to non-compliance with regulations and decarbonization targets.	Global	M/L	SSP1-1.9	– Implementation of the Decarbonization Plan 2025-2030, entailing the setting of ambitious carbon intensity targets. Key features of this Plan include improving energy efficiency, promoting heat recovery systems, increasing scrap use and raising the share of renewable energy. – Developing Premium products that meet more stringent sustainability criteria (ECO ACX). – Acerinox already has sustainable credit facilities linked to decarbonization indicators, but the impact of non-compliance is limited.
Regulatory and legal	Shift to more restrictive climate regulations and/or regulatory uncertainty arising from a changing regulatory environment (costs, penalties, loss of subsidies, etc.)	Global	S/M/L L	SSP1-1.9 SSP2-4.5	– Compliance with all regulatory requirements (Climate Change Act) and more demanding voluntary requirements, including CSRD. – Ongoing review of regulatory changes affecting the Company in these areas; anticipation of new requirements. – Implementation of the Decarbonization Plan 2025-2030, entailing the setting of ambitious carbon intensity targets.

Thematic area per TCFD	Risk	Geography	Time horizon	Scenario	Mitigation and control measures
Technological	Increase in costs (CAPEX and OPEX) to meet emission reduction targets, adoption of new available technologies, etc.	Global	S/M/L L	SSP1-1.9 SSP2-4.5	– Improved traceability and control of OPEX and CAPEX data – Assessment of the viability of CAPEX and OPEX investments in decarbonization projects – Implementation of the Decarbonization Plan 2025-2030, entailing the setting of ambitious carbon intensity targets. Key features of this Plan include improving energy efficiency, promoting heat recovery systems, and electrifying systems and the vehicle fleet. – Continued exploration of emerging decarbonization technologies. – Study on the substitution of natural gas with renewable hydrogen.
Technological	Restrictions on access to clean energy	Global	S S/M	SSP1-1.9 SSP2-4.5	– Pursuit of renewable energy purchase agreements with various players across all production plants (suppliers, traders, etc.).

Thematic area per TCFD	Opportunity	Geography	Time horizon	Scenario	Stimulus measures
Resource efficiency	Reduction of costs and environmental impact through the maximization of circularity, by optimizing processes and the use of recovered material	Global	S/M/L M/L		– Increased use of scrap – Installation of new metal recovery and recycling plants
	Improving energy efficiency	Global	S/M/L S/M/L		– Implementation of the Decarbonization Plan 2025-2030, entailing the setting of ambitious carbon intensity targets. One of the main pillars of the plan is energy efficiency.
	Improved waste management, including the sale of steel aggregates to other industries	Global	M/L L		– Analysis of slag recovery for sale as construction aggregate and/or for obtaining different components thereof. – Target of achieving 90% recycled waste by 2030.
Energy source	Use of renewable or low-carbon energy	Global	S/M/L L	SSP1-1.9 SSP2-4.5	– Increased use of renewable energy, and especially renewable electricity, as the main lever of the Decarbonization Plan.
	Access to public subsidies for implementing initiatives that advance the climate transition	Global	S/M/L	SSP1-1.9	– Feasibility analysis of projects that contribute to the green transition and enable access to public subsidies (energy efficiency, heat recovery, electrification of systems and vehicle fleets, and increased use of renewable energy).

Thematic area per TCFD	Opportunity	Geography	Time horizon	Scenario	Stimulus measures
Products and services	Growth in demand for steel in energy transition-related applications	Global	S/M/L	SSP1-1.9	– Plant readiness to handle potential production increases, including expansion plans at some of the Group's factories. – Development of new products linked to the green transition.
	Increased demand for low-carbon products	Global	M/L M/L	SSP1-1.9 SSP2-4.5	– Implementation of the Decarbonization Plan 2025-2030, entailing the setting of ambitious carbon intensity targets. – Developing Premium products that meet more stringent sustainability criteria (ECO ACX).
Market	Improved profitability of European companies as a result of carbon taxes on stainless steel imports into Europe (CBAM)	Europe	S/M/L S/M/L	SSP1-1.9 SSP2-4.5	– Ongoing review of regulatory changes affecting CBAM. – Market monitoring and adaptation of the commercial offering to capitalize on the reduction in imports resulting from the effects of CBAM.
Resilience	Adaptation to new climate contexts	Global	S/M/L S/M/L	SSP1-1.9 SSP2-4.5	– Regular updating of the company's climate risk analysis, and mitigation and adaptation plans.

Policies related to climate change mitigation and adaptation

E1-2

The formalization and approval of the General Sustainability Policy and the Climate Change Policy in 2025 represent a firm commitment by the Company to addressing the challenges, objectives and goals of climate change. The Group is convinced that climate change mitigation must be embedded in all of its activities and decisions—an approach that is fully compatible with, and must be in harmony with, the pursuit of excellence, profitability, effectiveness and returns for all stakeholders.

Within the sustainability governance framework, the General Sustainability Policy serves as the foundational document, setting out the high-level guiding principles that orient and frame the Group's overall strategy and the guidelines for managing impacts, risks and opportunities relating to the Acerinox Group's sustainability, including climate change mitigation and adaptation.

The Group actively takes on and promotes a series of principles that govern daily operations. With regard to climate change mitigation, this is pursued through energy efficiency, the use of renewable energy and water optimization, among other actions, including adaptation to the effects of climate change where appropriate.

In addition to the climate focus, the Sustainability Policy addresses a broader spectrum of environmental commitments, such as 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.

On the other hand, the Group's Climate Change Policy establishes a framework for its current business model and future growth strategy so that it is in line with the 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.

These framework policies are developed and translated into concrete actions through specific, ambitious and quantifiable action plans, such as the Beyond Excellence Plan, the Decarbonization Plan, etc.

These 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.

Compliance with the Policies will be overseen by the Company's highest governing body, the Board of Directors. This ensures that sustainability and climate change management are embedded at the highest hierarchical level and regarded as a central element of corporate strategy. For maximum transparency, all policies are available on the Company's website.

Actions and resources in relation to climate change policies

E1-3

During 2025, Acerinox implemented more than 50 initiatives integrated into its Decarbonization Plan, achieving a reduction of more than 800,000 tCO_2 (472,000 tCO2 in 2024, taking into account the companies that were included in the Decarbonization Plan at the end of 2024), driven primarily by the strategic optimization of the energy mix. The main driver of progress was the substantial increase in the use of renewable energy, which accounted for 53.14% of the Group's total electricity consumption in 2025 (55.17% excluding Haynes). This milestone represents growth of almost 20 percentage points compared to the prior year (24 points excluding Haynes), consolidating the transition toward a cleaner energy mix. Energy efficiency measures applied to production processes have also played a decisive role, together with the optimized use of scrap as a strategic raw material. This commitment to circularity is essential to reducing carbon intensity in steel manufacturing.

Each of the actions has an associated budget (CAPEX or OPEX) that must be approved by those responsible according to the investment approval process for each factory. The table below reports the emissions avoided in 2025. Based on the financial data, an estimate has been made to allocate the 2025 CAPEX (approximately €5.2 million) to the decarbonization levers (almost €3.5 million to energy efficiency, more than €700,000 to increasing the use of scrap, more than €500,000 to boosting heat recovery systems and almost €500,000 to the other levers). 58% are associated with Taxonomy-aligned activities.

The estimated OPEX investment in 2025 was €16.6 million (55% associated with Taxonomy-aligned activities). It is estimated that, in the future, the Company will have an aligned CAPEX and OPEX percentage in a similar range to that of 2025, taking into account the uncertainty that exists in this estimate.

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 and Note 18.3 Other operating expenses in the Consolidated Annual Financial Statements)

The CAPEX and OPEX of the Decarbonization Plan comprises all the activities defined in the Decarbonization Plan implemented by the Group's factories (Acerinox Europa, Columbus Stainless, NAS, Roldán, Inoxfil, VDM Metals, and Haynes). Taxonomic CAPEX and OPEX only includes the aligned activities, which includes all the work carried out at Acerinox Europa, Columbus Stainless, and NAS.

Thanks to decarbonization measures, we have reduced our Scope 1 and 2 emissions intensity by approximately 19% in 2025 compared to the baseline year of 2021 (without Haynes).

In addition, Acerinox promotes the improvement of energy management systems through its certification according to the ISO 50001 standard. The factories of Acerinox Europa, Roldan, VDM Metals Germany and Haynes Kokomo already had this certification; NAS and Inoxfil obtained it in 2025.

Decarbonization lever	Historical (2024)				Current (2025)				Planned (2026-2030)			
	Number of initiatives	Scope 1 emissions savings (tCO2eq)	Scope 2 emissions savings (tCO2eq)	Scope 3 emissions savings (tCO_2eq)	Number of initiatives	Scope 1 emissions savings (tCO2eq)	Scope 2 emissions savings (tCO2eq)	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	1,875	581	23	9,384	8,647	635	41	146,237	182,623	4,205
Promotion of heat recovery systems from process sources	4	2,849	0	0	2	5,720	0	0	6	116,499	0	0
Electrification of systems	0	0	0	0	0	0	0	0	2	3,055	0	0
Electrification of vehicle fleet	3	18	0	0	3	79	0	0	4	684	0	0
Increased use of renewable energies and, in particular, renewable electricity	14	759	438,691	0	10	0	660,671	0	37	0	3,976,365	0
Use of alternative low-carbon fuels (e.g. green hydrogen, biomethane)	0	0	0	0	0	0	0	0	2	36,924	6	0
Increased use of scrap	17	1,933	0	20704	11	14,611	0	130,273	12	79,148	0	661,665
Increased use of low-carbon commodities or ferroalloys	1	820	0	0	4	0	0	376	4	0	0	1,803
Total	**54**	**10,607**	**440,566**	**21,285**	**53**	**29,794**	**669,318**	**131,284**	**108**	**382,547**	**4,158,994**	**667,673**

The table includes own and upstream decarbonization measures for Acerinox Europa, NAS, Columbus Stainless, VDM Metals, Haynes, Roldán, and Inoxfil. Along with the Decarbonization Plan, the Company has an Adaptation Plan. Estimates for the period 2026-2030 have been revised with more accurate information. This exercise will be repeated annually in order to review compliance with the decarbonization path.

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 fund the initiatives, Acerinox uses both internal resources and sustainable loans linked to the fulfillment of decarbonization targets.

Parameters and goals

E1-4

The Company's 360° Positive Impact Plan sets out a series of specific targets for 2030. This plan is based on several interconnected pillars that seek to ensure comprehensive and responsible management of operations.

During the 2024 financial year, the targets specifically linked to the eco-efficiency and climate change mitigation pillar were reviewed. This review was considered necessary to ensure that the targets remained aligned with the latest regulations, available technological advances, and the growing expectations of stakeholders in terms of sustainability and decarbonization. The main focus of this update was the reduction of the operational carbon footprint and the optimization of water resource use.

The Company's commitment to climate action is embodied in the Decarbonization Plan 2025-2030, which sets new and demanding emission reduction targets. These targets seek to be compatible with the 1.5°C global warming limit and are based on scientific criteria, following the framework of the Science Based Targets initiative (SBTi)[1].

To set these targets in 2024, 2021 was established as the base year. This choice reflects the fact that it was the first fiscal year in which the carbon footprint of the entire Group—including VDM Metals—was calculated and externally verified in accordance with the GHG Protocol. The inventory was subsequently adjusted to exclude emissions from Bahru Stainless following its sale in 2024.

In 2025, the target was updated to take into account the acquisition of Haynes International, which is now included in the perimeter of the Decarbonization Plan and its associated targets. After adjustments, the total emissions of the Acerinox Group in 2021 amount to 3,246,681 tCO_2eq for Scope 1 and 2, and 4,983,067 tCO_2eq for Scope 3. Applying the reduction percentages established by the SBTi tool to the new perimeter, the Company is committed to reducing Scope 1 and 2 emissions by 44.76% by 2030, with 2021 as the reference year, and Scope 3 emissions by 15% over the same period.

These emissions reduction targets were defined using an operational approach and cover the same greenhouse GHG gases included in the GHG inventory. For Scope 2 emissions, the market-based approach is applied. The target for 2030 is 1,793,606 tCO_2eq of Scope 1 and 2 emissions and 4,235,607 tCO_2eq of Scope 3 emissions.

Prior to defining and approving the decarbonization targets, the Company conducted a comparative analysis of two strategic scenarios. These evaluated different production variables, the evolution of the energy mix and the deployment of decarbonization measures. The two scenarios modeled are defined as the Base Scenario and the Achievable Sustainable Scenario; the latter has been designed to be compatible with the goal of limiting global warming to 1.5°C.

First, a baseline scenario is established 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 energy mix remains constant, as no increase in the penetration of renewable energy is envisaged.

Secondly, the Achievable Sustainable Scenario is defined, in which output increases in line with internal forecasts for 2030 compared to 2023, and an energy transition is projected based on the rollout of the Decarbonization Plan and the progressive increase in the use of renewable electricity.

This overall decarbonization ambition has been translated into specific internal targets for each factory, thereby ensuring coordinated implementation across the Group based on each factory's production level and starting point. In addition, the overall target is also defined in terms of carbon intensity, enabling emission efficiency per unit of production to be measured.

[1] The joint CO2 emissions reduction target (Scopes 1 and 2) of 44.76% is disaggregated into a 42% reduction of Scope 1 and 45.99% of Scope 2, as defined in the SBTi methodology.

Likewise, the Company has set specific reduction targets for Scope 3 emissions. These targets have been defined at both the overall and plant level and are expressed in both absolute and relative terms. Under this scenario, the target of reducing Scope 3 emissions by 15% by 2030, with 2021 as the base year, has been formalized.

The Decarbonization Plan detailed in section E1-1 envisages the adoption of new technologies that are currently under development or not yet mature enough for large-scale implementation, such as the use of biofuels.

The Group is currently exploring the biomethane market as an energy alternative. Feasibility studies and pilot projects have also been carried out for the injection of green hydrogen into the natural gas network at several plants in Europe. These initiatives are expected to materialize toward the close of the period covered by the Plan.

In accordance with current policies, the emissions and blue water footprint targets have been defined on the basis of production capacity projections and the sectoral benchmarking exercise carried out. External stakeholder participation was not required for this technical target-setting process. These targets constitute the Group's strategic response to the climate risk analysis carried out during the current fiscal year, ensuring business resilience in the face of environmental challenges.

Complementing the new emissions targets, a target of a 3% annual reduction in blue water footprint intensity was set for 2025, reinforcing the Group's commitment to efficient water resource management.

For the coming fiscal year, the Company has set a qualitative energy efficiency target aimed at driving ISO 50001 certification across all its plants. This corporate commitment will be complemented by local efficiency targets specifically adapted to the capabilities and technical characteristics of each plant.

The Sustainability Committee monitors the performance of emission intensity and water footprint intensity indicators against established goals on at least a quarterly basis. The assessment is carried out at group, 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, taking the appropriate measures.

The Group has set targets for managing climate-related IROs. With regard to energy IROs, the Company has tracked the energy intensity ratio compared to previous years. The Company also monitors the Group's renewable energy intensity (renewable kWh/metric ton of steel).

In this context, the Group has a sustainable credit linked to the increase in renewable energy sources. Acerinox committed to a 4% annual improvement in the renewable electricity intensity ratio across the entire Group, taking 2020 as the base year. In 2025, the established target of 284 renewable kWh/metric ton of steel was exceeded, achieving an effective ratio of 724 renewable kWh/metric ton of steel. During this fiscal year, renewable energy accounted for 53.14% of the Group's total electricity consumption (55% without Haynes).

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

With regard to climate change-related IROs, the Company has set a target of a 44.76% reduction in Scope 1 and 2 emissions and 15% for Scope 3 emissions by 2030, taking 2021 as the reference year.

The Group has financing linked to reducing its carbon footprint (sustainable credit facility). To this end, it has established a road map for Scope 1 and 2 emissions aligned with its intensity targets for 2030. In 2025, the annual target was met with a ratio of 0.925 tCO_2eq/metric ton of steel, below the target of 1.012 (this figure encompasses the Acerinox Group excluding Haynes).

Lastly, with regard to water-related IROs, the Company has set a 3% annual reduction in blue water footprint intensity.

Energy consumption and mix

E1-5

Stainless steel stands out as a durable material resistant to corrosion and oxidation, and recyclable indefinitely, which extends its useful life and reduces the need for replacement. Despite these intrinsic advantages, the stainless steel manufacturing process contributes to global industrial emissions, an issue the industry is addressing with urgency. This carbon footprint is attributable to two critical factors.

The initial phase of melting stainless scrap and ferroalloys demands high electricity consumption. Secondly, the process requires the intensive use of fossil fuels—mainly natural gas—across various thermal stages. These include the heating of ladles in the melt shop and treatments such as annealing and hot rolling, which are essential to achieving optimal mechanical and metallurgical properties.

Energy consumption and mix (MWh)	2024	2025
Fuel consumption from coal and its derivatives	8.04	0.00
Fuel consumption from crude oil and petroleum products	43,747.87	42,857.87
Fuel consumption from natural gas	2,675,623.54	3,183,805.05
Fuel consumption from other fossil sources	75,765.74	71,401.11
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	1,274,657.52	1,152,690.63
Total fossil energy consumption	4,069,802.71	4,450,754.66
Proportion of fossil sources in total energy consumption (%)	79%	75%
Energy consumption from nuclear sources	46,477.53	67,767.08
Proportion of nuclear sources in total energy consumption	1%	1%
Fuel consumption by renewable source	0.00	0.00
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	1,057,277.30	1,384,224.13
Consumption of electricity with guarantees of origin	962,202.25	1,311,439.84
Consumption of renewable electricity from the energy mix	95,075.04	72,784.30
Consumption of self-generated renewable energy not used as fuel	0.00	1,375.94
Total consumption of renewable energy	1,057,277.30	1,385,600.08
Proportion of renewable sources in total energy consumption (%)	20%	23%
Total energy consumption	5,173,557.54	5,904,121.81

*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 Haynes from the supplier's energy mix.
**While Acerinox did not generate its own energy in 2024, the acquisition of Haynes in 2025 changes this profile. Thanks to the solar installations at the Arcadia and Hendersonville plants, the Group will begin generating its own energy.
***Acerinox does not use hydrogen as a fuel source in its operational processes.

The methodological details and calculation assumptions for the metrics are set out in Annex 8.4 (Calculation of Greenhouse Gas Inventory).

Although the measurement has not been validated by any external body other than the verification provider, the Company's Environmental Management System is ISO 14001 certified.

The Company's activity is classified as a high climate impact 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 has increased due to factory production profiles to meet changing demand.

Energy intensity per net income	Comparison	2024	2025
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/€ thousand)	6.87%	0.96	1.02

Where:

	2,024	2025
Net income from activities in sectors with a high climate impact used to calculate GHG intensity (€ thousand)	5,413,128	5,780,513
Net income (others) (€ thousand)	38,139	70,808
Total net income (financial statements) (€ thousand)	5,451,267	5,851,321

*The Acerinox Group's net income is included under "Revenue" in the Income Statement within the Financial Statements. Note 2. Consolidated Income statement Other income in Note 18. Income and expenses

Gross Scopes 1, 2, 3 and total GHG emissions

E1-6

Quantifying the carbon footprint is a strategic priority for the Group, reflecting Acerinox's commitment to sustainable development and environmental transparency toward its stakeholders. The calculation was performed in accordance with the corporate standard of the GHG Protocol and the standard for accounting and reporting on the value chain (Scope 3) of the GHG Protocol.

2021 is established as the base year for Scope 1, 2 and 3 emissions. This choice is justified by the updating of regulations and the incorporation of new categories. The calculation methodology is explained in detail in Annex 8.4: Calculation of Greenhouse Gas Inventory.

	Retrospective				Milestones and target year	
tCO_2eq	2021	2024	2025	Variation 2024 vs 2025	2030	Annual target %/ baseline year
Scope 1 GHG emissions						
Gross Scope 1 GHG emissions (tCO_2eq)	1,004,355	708,348	807,964	14.06%	582,526	-4.20%
1.1. Stationary combustion		568,131	659,348	16.06%		
1.2. Mobile combustion		10,618	13,679	28.83%		
1.3. Process emissions		124,909	130,978	4.86%		
1.4. Fugitive emissions		4,690	3,959	-15.59%		
Percentage of Scope 1 GHG emissions from regulated emissions trading schemes (%)	31.51%	21.04%	31.17%	48.12%		
Scope 2 GHG emissions						
2.1. Location-based gross Scope 2 GHG emissions (tCO_2eq)	1,523,859	891,928	704,975	-20.96%		
2.2. Market-based gross Scope 2 GHG emissions (tCO_2eq)	2,242,326	1,243,056	1,086,711	-12.58%	1,211,080	-4.60%
Significant Scope 3 GHG emissions						
Total gross indirect GHG emissions (Scope 3) (tCO_2eq)	4,983,067	4,424,631	4,447,596	0.52%	4,235,607	-1.50%
3.1. Goods and services purchased	3,851,327	3,541,689	3,724,055	5.15%		
3.2. Capital assets	0	146,606	78,887	-46.19%		

3.3. Fuel and energy activities not included in Scope 1 or Scope 2	304,645	201,038	237,136	17.96%		
3.4. Upstream transport and distribution	94,478	49,462	33,134	-33.01%		
3.5. Waste generated in operations	307,305	237,915	88,756	-62.69%		
3.6. Business travel	621	1,928	3,247	68.41%		
3.7. Transport used on the way to and from work	10,698	7,600	9,290	22.24%		
3.8. Upstream leased assets	0	0	0			
3.9. Downstream transport and distribution	412,531	237,090	271,713	14.60%		
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	1,462	1,303	1,378	5.76%		
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)	**7,511,281**	**6,024,907**	**5,960,535**	**-1.07%**	**N/A**	**N/A**
Total GHG emissions (market-based) (tCO_2eq)	**8,229,748**	**6,376,035**	**6,342,271**	**-0.53%**	**6,029,213**	**-2.67%**

*The organization's carbon footprint includes GHGs (carbon dioxide, methane, and nitrous oxide) generated by the company. For more information, see Annex 8.4.
**The Scope 1 and 2 carbon footprint for 2021 has been updated to include Haynes.
***The organization's 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.

In global terms, the Acerinox Group's total emissions have remained stable despite the increase in production and the integration of Haynes.

The increase in Scope 1 emissions from stationary sources is mainly attributed to the increase in natural gas consumption at plants in Europe and the US. In the case of mobile sources, the increase is due to a reclassification of diesel. The decrease in fugitive emissions is explained by the reduction in the consumption of refrigerant gases compared to the previous year.

On the other hand, Scope 2 emissions have decreased thanks to the increased use of electricity generated from renewable sources.

As for Scope 3 emissions, those derived from capital goods have experienced a reduction due to the update of Ademe emission factors. The reduction in upstream value chain emissions is attributable to a decrease in the total distance traveled by suppliers across different modes of transport.

With respect to Scope 3, "fuel- and energy-related activities not included in Scope 1 or 2," these have increased in proportion to the increase in energy and Scope 1 emissions.

Of particular note is the decrease in emissions associated with waste management. This reduction is explained by two factors: lower production of neutralization sludge and the reclassification of slag. Specifically, until 2024, slag from South Africa and the United States was considered as waste. However, from 2025 onward, this slag undergoes treatment to recover the metal and is subsequently sent for recycling or reuse, which entails a considerably lower emission factor.

Finally, it is worth noting the increase in emissions related to business travel and commuting, attributable to the increase associated with Acerinox Europa employees with their return to normal activity and the integration of Haynes.

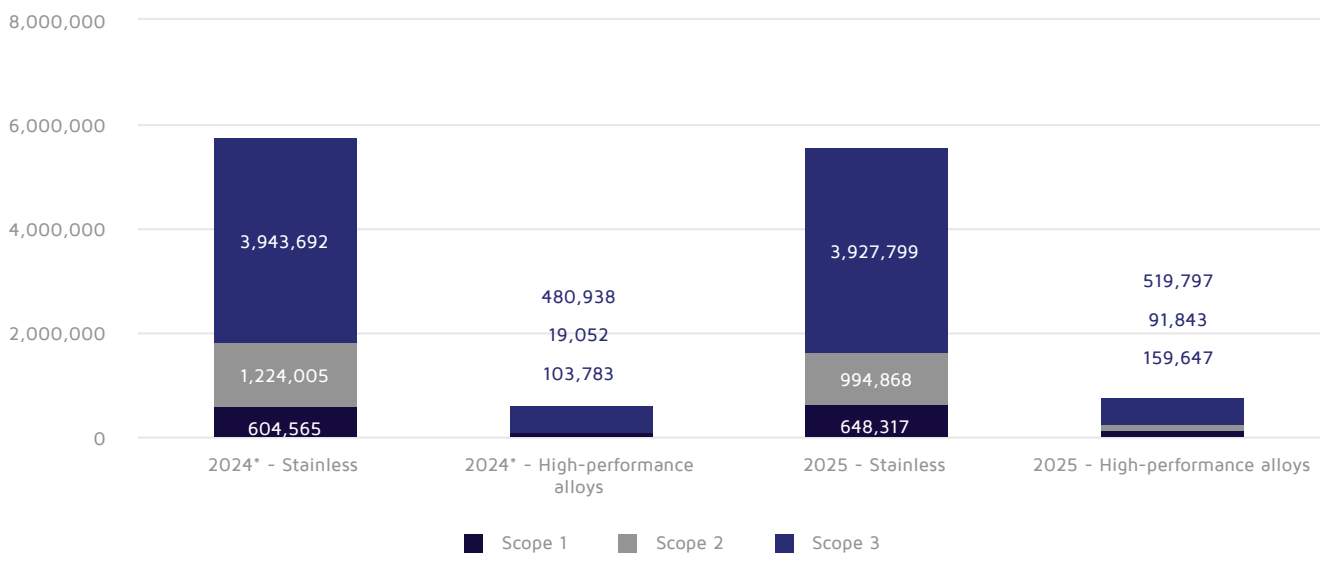
GHG intensity by net income	Comparison	2024	2025
Total GHG emissions (location-based) by net income (tCO_2eq/€ thousand)	-7.36%	1.11	1.03
Total GHG emissions (market-based) per net income (tCO_2eq/€ thousand)	-6.85%	1.18	1.10

Where:

	2,024	2025
Net income from activities in sectors with a high climate impact used to calculate GHG intensity (€ thousand)	5,413,128	5,780,513
Net income (others) (€ thousand)	38,139	70,808
Total net income (financial statements) (€ thousand)	5,451,267	5,851,321

*The Acerinox Group's net income is included under "Revenue" in the Income Statement within the Financial Statements. Note 2. Consolidated Income statement Other income in Note 18. Income and expenses.

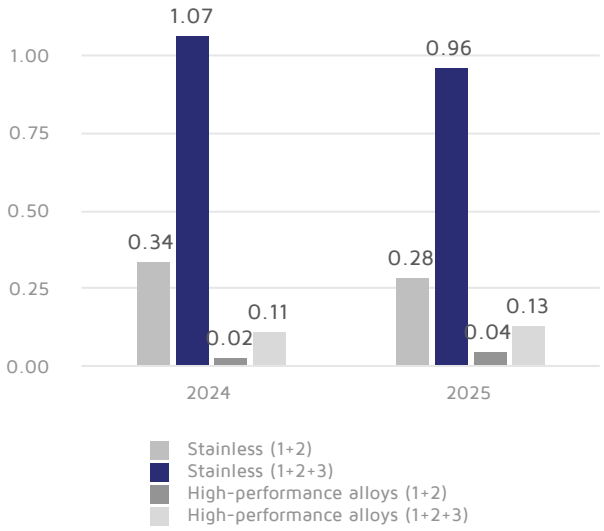
Scopes 1, 2 and 3 Group emissions (tCO_2eq)



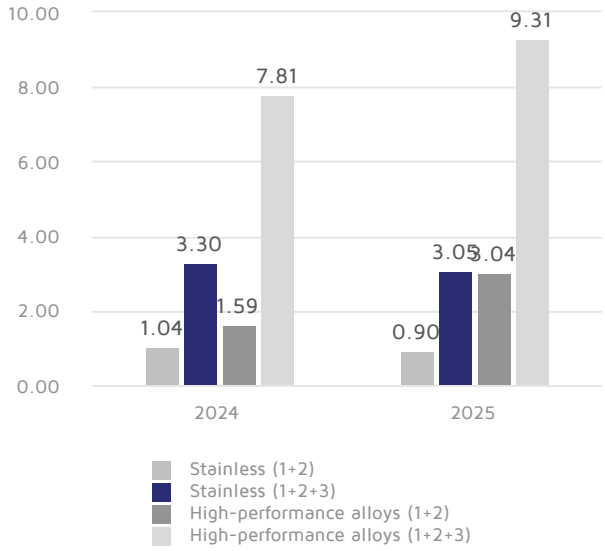
In 2025, the Acerinox Group achieved a reduction of almost 3% in the Group's Scope 1 and 2 emissions. This decrease occurred despite the increase in production activity and the inclusion of Haynes in the scope of consolidation. It was mainly driven by the use of renewable energies, the implementation of energy efficiency measures and the increased use of scrap.

Scope 3 emissions increased by 0.52% due to increased emissions in some categories, such as business travel and employee transportation. The Group's total Scope 1, 2 and 3 emissions increased its carbon footprint by 0.5%.

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



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



*Acerinox Group net income is included in Note 18 to the Consolidated Financial Statements (Income and expenses).

In 2025, the Group's Scope 1 and 2 emissions intensity per unit of production decreased more than 13% (excluding Haynes) due to energy efficiency measures, better use of scrap and, particularly, the increased use of renewable electricity. Scope 1, 2 and 3 emissions intensity per unit of production decreased nearly 5% with respect to the previous year.

GHG removals and GHG mitigation projects financed through carbon credits

E1-7

Acerinox remains firmly committed to climate change mitigation and reducing its carbon footprint. To date, however, the Company has not resorted to carbon market mechanisms to offset its emissions, such as carbon credits.

The Company has not contributed to greenhouse gas sequestration projects upstream and downstream in its value chain.

Internal carbon pricing

E1-8

The Acerinox Group has set an internal carbon price of €75.30/tCO_2 in 2025 (€63.75/metric ton of steel in 2024). This figure is established as a shadow price, meaning it is a theoretical price used internally for decision-making purposes, with no impact on the Company's Financial Statements. To integrate this variable into investment decisions, the internal carbon price is applied to Scope 1 and Scope 2 emissions in the economic analysis of all decarbonization and energy efficiency initiatives (see E1-1 Transition plan for climate change mitigation). The internal carbon price is a single price applied across the entire Company, regardless of geography, business unit or activity.

This price is determined on the basis of the estimated trajectory of the carbon price under the European Union Emissions Trading System (EU ETS). To this end, Acerinox draws on reports from specialist carbon market traders. For 2026, the carbon price will be set at €89.15/tCO_2.

The carbon pricing has not been verified by any independent external body beyond the verification provider.

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

E1-9

Acerinox is committed to continuously improving the quantification of the financial effects of climate change. To this end, the Group has availed itself of the phase-in period provided for under ESRS 1, deferring detailed reporting of these impacts to future fiscal 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

The management of IROs related to water and marine resources falls within the scope of climate-related incidents, risks, and opportunities and their management. 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 assessed the impact of water risks at its main factories using the World Resources Institute's Aqueduct tool. This analysis identifies physical risks (both quantitative and qualitative), as well as potential regulatory and reputational risks. The Company does not depend on key raw materials related to marine resources.

The double materiality analysis identified the following key impacts, risks and opportunities (IROs) in relation 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 due to water consumption restrictions 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 (water consumption and cost) in the management of water resources in our operations	Resource use efficiency

To determine the impacts, risks and opportunities, technical information was gathered from the affected communities. The views of other strategic groups were also incorporated, including employees, customers, suppliers and the financial community.

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 and Palmones river basin, and at Columbus Stainless in Middelburg, South Africa, located in the Olifants river basin.

To ensure responsible water use, Acerinox has implemented 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 strengthening its measures to secure the necessary water supply even in periods of scarcity.

Policies related to water and marine resources

E3-1

Responsible water management is a critical issue for the Group, given that manufacturing stainless steel and high-performance alloys requires intensive use of this natural resource.

In 2025, the Group updated the Sustainability and Safety, Health, and Environment Policies, replacing the previous ones. These principles align with Acerinox's values and strategy, consider the Sustainable Development Goals ("SDGs"), and adhere to the Paris Agreement and the Ten Principles of the UN Global Compact. They also reflect the evolving sustainability regulations in the countries where the Acerinox Group operates, particularly driven by the European Union and its influence in Spain.

Acerinox's Sustainability Policy establishes the efficient use of water and the protection of ecosystems as operating principles, linking these targets directly to the strategic management of its IROs.

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, which are available on the Company's 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), or the public supply network (Inoxfil, Haynes and VDM Metals). No production center sources marine resources, whether biological or non-biological.

Water is used throughout the entire production cycle, primarily for the preparation of pickling baths, machinery cooling and the cooling of molten steel. It is also used for equipment cleaning, steam generation and wastewater treatment systems.

Acerinox's 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 impact on marine resources is very limited, confined exclusively to the Acerinox Europa plant, which is the only operating center that discharges into the marine environment. Water is discharged into the Bay of Algeciras through a general collector. These discharges are subject to regular analysis in accordance with the Monitoring and Control Plan for Discharges into the Bay of Algeciras, to ensure strict compliance with legal limits and applicable environmental quality standards.

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

Actions and resources related to water and marine resources

E3-2

Responsible water management is essential to ensuring operational continuity and strengthening Acerinox's commitment to environmental preservation. Among the Group's key milestones are its collaboration with the CEO Water Mandate initiative and the assessment of its water footprint, actions that reinforce its commitment to transparency and efficiency.

Milestones 2025	Challenges 2026-2030	Geographical area
Collaboration with 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 2025, CAPEX allocated to the management of the Company's water resources is estimated at €0.9 million (€1.2 million in 2024) and OPEX at €55 million (€50 million in 2024). See Note 9 for more information. Property, plant and equipment — Environment.

It is estimated that the Company's future CAPEX and OPEX will be in a similar range to that of fiscal year 2025, taking into account the existing uncertainty.

CEO Water Mandate

Since 2024, Acerinox has been collaborating with the United Nations CEO Water Mandate initiative to promote sustainable water practices and reinforce its commitment to addressing global environmental challenges.

The Company seeks to drive innovation and sustainability across all its operations, focusing its efforts on the most vulnerable river basins.

As part of this commitment, 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 policy, community participation, and 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. This helps identify areas of highest consumption and opportunities for improvement.
- **Continuous process improvement:** Optimization of pickling processes and neutralization plants to minimize chemical consumption and maximize effluent reuse in our main factories.
- **Water quality analysis:** performed at the Group's facilities and by accredited external laboratories to ensure compliance with quality standards and legal requirements. Main parameters analyzed include suspended solids, nitrates, pH, alkalinity, and metal content, among others.
- **Collaboration with stakeholders:** Acerinox engages with consortia, hydrographic confederations, government authorities and other stakeholders to develop water management strategies that benefit both the Company and the environment.
- **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 five years, Acerinox has managed water resources effectively without any significant incidents, thanks to its implementation of best management practices.

The Group remains committed to optimizing water resource management, minimizing its impact and fostering operational efficiency. This approach extends across the entire value chain through the promotion of sustainable practices.

Water footprint assessment

The water footprint calculation—both blue (abstraction from surface and groundwater sources) and gray (the volume required to assimilate the pollutant load)—is based on the Water Footprint Network (WFN) methodology. This analysis is complemented by an assessment of water stress at each facility, using data and projections from the World Resources Institute (WRI).

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. Currently, 2 of the main factories of the

Group's operating centers are located in regions with a level of water stress considered high or very high, according to international reference standards.

With this information, the Company 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.

Despite the efficiency gains achieved, the Group continues to implement new technologies and measures to further optimize consumption. Implementing this water management model results in:

- **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.
- **Strengthened relationships with local communities:** enabling the co-creation of innovative and sustainable solutions that address local water-related challenges.

Acerinox's water management not only maximizes efficiency through reuse systems but also serves as a safeguard against potential availability restrictions in water-stressed areas.

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 360° Positive Impact Plan. The eco-efficiency and climate change mitigation pillar set the target of a 20% reduction in water consumption intensity by 2030, using 2015 as the baseline.

In 2024, once the specific water withdrawal target for 2030 was achieved, a new annual target to reduce blue water footprint intensity by 3% at Group level was established, effective as of 2025. Starting this year, targets will also be set on a plant-by-plant basis, linked to reducing blue and gray water footprint intensity. Setting these targets demonstrates the Company's progress and commitment in this area. The definition of water related targets is carried out voluntarily to enhance water management within the Group.

In 2025, blue water footprint intensity increased due to the production profile of the factories.

2025 targets	Scope of application	2024	2025	Degree of progress (2025 vs 2024)
3% reduction in annual blue water footprint intensity compared to the prior year	Acerinox Group (excluding Haynes)	2.03	2.56	26.11%

The calculation methodology is set out in the blue, gray and total water footprint table in the Water Consumption section.

According to applicable policies, the blue water footprint target was defined 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 monitors progress against the target on at least a quarterly basis. The assessment is carried out at group, division, and factory levels. In the event of significant discrepancies, the reasons are presented to the Sustainability Committee.

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
2025	3,107,876	1,505,144	1,602,732	986,475	1,602,732	518,669	0
2024	1,647,162	465,095	1,182,067	136,677	1,182,067	328,418	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 2025 increased compared to 2024 due to the inclusion of Haynes in the reporting perimeter and the recovery of Acerinox Europa production following the strike.

Water intensity	Comparison	2024	2025
Total water consumption in the Group's own operations per net income (m^3/€ million)	76.69%	0.30	0.54

*The Acerinox Group's net income is included under "Revenue" in the Income Statement within the Financial Statements. Note 2. Consolidated Income statement Other income in Note 18. Income and expenses

Water withdrawal

m3	Total			Stainless		High-performance alloys	
2025	Total	Non-water-stressed areas	Water-stressed areas	Non-water-stressed areas	Water-stressed areas	Non-water-stressed areas	Water-stressed areas
Surface water	7,211,190	4,516,567	2,694,623	4,079,707	2,694,623	436,860	0
Groundwater	0	0	0	0	0	0	0
Seawater	0	0	0	0	0	0	0
Process water	0	0	0	0	0	0	0
Third-party water	1,180,493	958,190	222,303	292,641	222,303	665,549	0
Rainwater	302,670	0	302,670	0	302,670	0	0
Total	**8,694,353**	**5,474,757**	**3,219,596**	**4,372,348**	**3,219,596**	**1,102,409**	**0**

Water withdrawal

m3	Total			Stainless		HPAs	
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	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

m^3	Total			Stainless		High-performance alloys	
2025	Total	Non-water-stressed areas	Water-stressed areas	Non-water-stressed areas	Water-stressed areas	Non-water-stressed areas	Water-stressed areas
Surface water	3,332,535	3,332,535	0	3,332,526	0	9	0
Groundwater	0	0	0	0	0	0	0
Seawater	1,442,541	0	1,442,541	0	1,442,541	0	0
Third-party water	811,401	637,078	174,323	53,347	174,323	583,731	0
Total	**5,586,477**	**3,969,613**	**1,616,864**	**3,385,873**	**1,616,864**	**583,740**	**0**

Water discharge

m3	Total			Stainless		HPAs	
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	**4,171,155**	**3,429,193**	**741,962**	**3,128,380**	**741,962**	**300,813**	**0**

Blue, gray and total water footprint table for the main factories.

Acerinox Group	Comparison	2024	2025
Production*	275,719	1,830,539	1,930,687
Blue footprint (m^3)**	1,230,184	3,720,212	4,950,396
Blue footprint ratio (m^3/metric ton)	0.53	2.03	2.56
Gray footprint (m^3)***	397,429	763,310	1,160,739
Gray footprint ratio (m^3/metric ton)****	0.18	0.42	0.60
Total water footprint (m^3)*****	1,627,613	4,483,522	6,111,135
Total water footprint ratio (m^3/ metric ton)	0.72	2.45	3.17

*The Group's production in 2024 and 2025 includes 33,129 and 35,442 metric tons, respectively from the Altena and Werdohl cold rolling mills. Haynes and VDM USA production data are not included.

**The blue water footprint is an indicator of the consumptive use of "blue water" (fresh surface water or groundwater).
Specifically, the term "consumptive water use" refers to one of the following four cases:
1. The water evaporates.
2. The water is incorporated into the product.
3. The water does not return to the same abstraction area, e.g., it returns to another abstraction area or to the sea.
4. The water does not return in the same period, e.g., it is withdrawn during a dry period and returned during a wet period.
Data from Haynes, VDM Metals USA, and Bahru are not included in the blue water footprint calculation.

***The gray water footprint is an indicator that measures the degree of freshwater pollution associated with a specific stage. It is defined as the volume of water required to dilute the pollutant load, based on natural concentrations and current environmental quality standards.
To calculate it, the pollutant load (L, in mass/time) must be divided by the difference between the environmental quality standard (maximum allowable concentration) and its natural concentration in the receiving water body.

**** Only the NAS and Roldan plants have a gray water footprint.

***** Data from Haynes, VDM Metals USA, and Bahru are not included in the water footprint calculation.

Changes in the blue and gray water footprint at our factories are primarily due to changes in their production profiles. The 2024 blue water footprint and ratio have been restated due to the availability of improved information, without affecting comparability with 2025.

The data has not been verified by an independent external body beyond the verification provider. The production centers have Environmental Management Systems certified under the ISO 14001 standard.

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 has availed itself of the phase-in period provided for under ESRS 1, deferring detailed reporting of these impacts to future fiscal 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 double materiality analysis allowed to identify IROs linked to resource use and the circular economy. This is explained in detail in the Double 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:

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	Rising costs due to changes in the supply and demand of raw materials critical to the business, affecting their price.	Market
Opportunity	Reduction of costs and environmental impact through the maximization of circularity, by optimizing processes and the use of recovered material	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 developed and implemented sustainability and responsible procurement policies setting out the fundamental principles that guide the Group's procurement, production and distribution activities. 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, approved by the Board of Directors in 2025, facilitate improved management of IROs.

These policies are mandatory for all Acerinox Group entities, which will ensure that their principles extend to the business partners forming part of their activity chain.

Compliance with these policies is overseen by the Board of Directors, and the policies are available to stakeholders on the Acerinox website.

Actions and resources related to resource use and the circular economy

E5-2

Acerinox prioritizes the use of scrap as a strategic raw material, achieving utilization rates of up to 90% to maximize the circularity of its production processes. This action serves as a driving force for the 2025-2030 Decarbonization Plan. For more information, see section E1-1.

Acerinox invests on an ongoing basis in developing cutting-edge solutions for the recovery and recycling of a wide range of alloys, reinforcing its commitment to sustainability at every stage of the product 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 maximizes the use of recycled material for customer shipments and recyclable packaging (cardboard, plastic and metals), thereby promoting circularity.

In 2025, we worked on increasing the granularity of the information reported on investments and expenditures related to the circular economy, estimating CAPEX of €0.8 million and OPEX of approximately €50 million (in 2024, this information was not detailed). See Note 9 for more information. Property, plant and equipment — Environment and Note 18.3 Other operating expenses in the Consolidated Annual Financial Statements. It is estimated that the Company's future CAPEX and OPEX will be in a similar range to that of fiscal year 2025, taking into account the existing uncertainty.

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 its products throughout their life cycle.

This information allows customers to 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 follow-up and evaluation system for internal management processes, whereby the environmental officers at each facility site monitor progress on a monthly basis, while the corporate sustainability team conducts periodic reviews and consolidates the data. In addition, the Sustainability Committee is responsible for quarterly monitoring and any necessary corrective measures.

2030 targets	Scope of application	Degree of progress	2025 vs 2024
90% waste recycled	Acerinox Group	79.36%	-3.56%

*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. The production process is detailed in 7.2. Environmental information, 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 and gases) for surface treatments and process adaptation, as well as packaging materials.

The following tables detail consumption of the main raw materials, broken down by origin (recycled or virgin), used in Acerinox's production process:

Material reciclado utilizado en el proceso de producción (toneladas)

2024				2025			
Scrap and metals	Recycled acids	Other recycled material	Recycled materials	Scrap and metals	Recycled acids	Other recycled material	Recycled materials
1,674,448.87	11,028.47	0.00	1,685,477.34	1,809,628.18	14,006.63	121.97	1,823,756.78
Scrap and metals*	Recycled acids**	Other recycled material***	Recycled materials****	Scrap and recycled metals*	Recycled acids**	Other recycled material***	Recycled materials****
76.65%	32.06%	—%	67.84%	77.64%	34.79%	0.30%	68.64%

*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 recycled metals / Total 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 not classified as scrap, recycled metals or recycled acids. It is calculated using the following formula: Other recycled material / (Other recycled material + (Virgin materials – Alloys – Gases)). Unlike in 2025, no other recycled materials were used in 2024.
***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.

Material virgen utilizado en el proceso de producción (toneladas)

2024				2025			
Alloys	Gases	Acids	Virgin materials	Alloys	Gases	Acids	Virgin materials
509,969.89	254,519.97	34,403.36	798,893.22	521,215.48	271,609.93	40,264.80	833,090.22

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

In 2025, resource inflows totaled 2,656,847 metric tons, 7% higher than 2024 (2,484,371 metric tons). This is mainly due to the approximately 7% increase in production in 2025 compared to 2024 (5% if factories without melting shop are 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 tool. Finally, the data is reviewed by sustainability managers.

The data has not been verified by an independent external body beyond the verification provider. The facilities have Environmental Management Systems certified under the ISO 14001 standard.

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, Bright Annealing (BA) and Pickling processes to reduce the consumption of acids and gases.

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 in the alloy 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. Factory production amounted to 1,911,276 metric tons in 2025 (1,828,133 metric tons in 2024), of which 68.65% came from recycled material. Additionally, 77.64% of scrap and other metals are recycled.

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.

Metric tons	2024		2025	
Total waste	1,172,638	%	1,332,597	%
Landfill	207,650	17.71%	274,992	20.64%
Recycled/Recovered	964,988	82.29%	1,057,605	79.36%
Total non-hazardous waste	1,041,161	88.79%	1,238,305	92.92%
Landfill	138,367	13.29%	214,302	17.31%
Recycled/Recovered	902,794	86.71%	1,024,003	82.69%
Total hazardous waste	131,477	11.21%	94,292	7.08%
Landfill	69,283	52.70%	60,689	64.36%
Recycled/Recovered	62,194	47.30%	33,602	35.64%

*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 2025 increased 13.64% compared to the previous year. This increase is mainly due to the increase in melting shop production in 2025 of around 7% compared to 2024 (5% if we also include the activity of plants without melting shops). The amount of Non-Hazardous Waste sent to landfill also increased, but the amount of Hazardous Waste sent to landfill decreased, with corresponding cost savings.

Metal-containing wastes from the steelmaking and rolling mill processes (such as slag, smoke dust 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.

Metric tons	2024			2025		
	Metal-bearing wastes	Sludge and chemicals	Paper, wood, plastic, and others	Metal-bearing wastes	Sludge and chemicals	Paper, wood, plastic, and others
Total waste	1,042,134	102,673	27,831	1,188,762	114,009	29,825
Landfill	160,239	40,260	7,151	226,091	42,578	6,322
Recycled/ Recovered	881,895	62,413	20,680	962,671	71,432	23,503

*Acerinox's processes do not generate radioactive waste.

The data has not been verified by an independent external body beyond the verification provider. The facilities have Environmental Management Systems certified under the ISO 14001 standard.

Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities

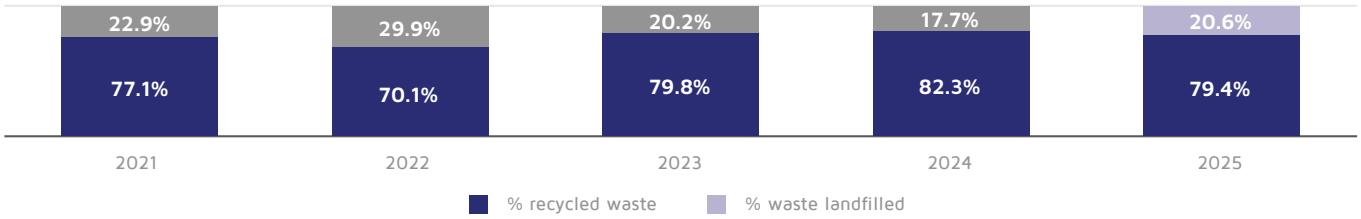
E5-6

Scrap purchasing and raw material price volatility (i.e. Ni, Cr) are reflected in the cost of products. It should be noted that no financial penalties have been incurred due to poor waste management in 2025.

One of the main risks identified is rising costs due to changes in the supply and demand of raw materials critical to the business, affecting their price, 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. Further, the results highlight an opportunity to reduce costs and environmental impact by maximizing circularity through process optimization and the use of recovered material.

In 2025, the Group continued to innovate and improve processes to optimize waste management. However, the recycling rate fell compared to the prior fiscal year due to adjustments in production profiles.

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, the ECO ACX was launched, a low-emissions product which uses more than 90% recycled material.

The Group has availed itself of the phase-in period provided for under ESRS 1, deferring detailed reporting of these impacts to future fiscal years.

Circular economy

7.3 Social information

Own workforce (ESRS S1)

Strategy

SBM-2

At Acerinox, human talent is the backbone of industrial transformation and our foundation for reaching the competitiveness demanded by the global steel market.

Acerinox's philosophy places the employee as the organization's main asset. The Company is committed to the individual growth, progress and development of its staff, fostering an environment of continuous improvement. The Group is also committed to safety across its factories, service centers, and offices, prioritizing the creation of a safe working environment for everyone. At all Acerinox facilities—factories, service centers, and offices— health and physical safety protection is managed in accordance with the highest legal standards. The Company's human team is the key link in its value chain and the driving force behind its sector leadership. With this approach, Acerinox backs development policies that foster internal talent.

To this end, the Group maintains an active commitment to the full development of its professionals, understanding that industrial competitiveness in the geographical areas in which it operates depends directly on technical excellence and talent commitment.

Impacts, risks and opportunities and their interaction with strategy and business model

SBM-3

At the close of fiscal year 2025, the Acerinox Group had 9,139 professionals (85.4% men and 14.6% women) with the talent needed to tackle the challenges involved in transitioning to a more efficient, decarbonized and circular industry, and with the skills required to adapt to the constant evolution of its production processes and business models.

The vast majority of employees are salaried, i.e., they have an employment relationship with the Acerinox Group, either through a permanent contract (98%) or a temporary contract (2%). Acerinox also collaborates with external professionals who, despite not being part of the permanent workforce, add significant value to the business. The Group has subcontractors through Temporary Employment Agencies (TEAs) (at year-end 2025, the Group worked with 1,650 contractors), as well as a few freelance professionals hired in certain cases. These hirings correspond to specific needs or specific moments.

However, the information regarding staff and the pay gap detailed in this report refers exclusively to the Group's salaried staff. In those cases where contractor staff information is presented, it is duly specified.

The Company has assessed material impacts, risks and opportunities related to the Group's own staff through a double materiality analysis, as described in section 7.1 General information. This analysis covers Acerinox's own operations and its upstream and downstream operations in the value chain.

It has consequently been determined that the Group may have a negative impact on its own staff and, in particular, on factory and service center staff. The nature of its activities entails a series of impacts that the Company rigorously manages. The most significant negative impact is the high risk of accidents due to the work performed by these employees. However, these are isolated and specific cases which, as mentioned, do not affect the entire group of the company's own staff. Rather, the employees most exposed to these risks are factory and service center operators who handle machinery.

To mitigate this impact, the Company does not limit itself to regulatory compliance, but also promotes a proactive safety culture. It also generates a positive impact by relocating the employee to adapted jobs in cases of disability or incapacity. This practice not only protects the right to decent work but also preserves critical knowledge within the organization and strengthens the social contract with our workforce.

Regarding the risks addressed by the Company related to its own staff, the loss of production efficiency derived from the high rates of absenteeism characteristic of the European region has been identified as the main risk for Acerinox. This directly impacts its operational capacity. However, the Group's strategy addresses this risk through a number of opportunities.

Acerinox understands the improvement of working conditions to be a lever for attracting and retaining talent. The Group 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 assistance and meal tickets, or pension funds, among others. These allow the company to position itself as a leading employer.

In addition, Acerinox has not identified its own operations as having a significant risk of cases of forced labor, compulsory labor or child labor.

Incident, risk, and opportunity management

Employee-related policies

S1-1

The **Code of Conduct**, updated in 2025, is the cornerstone that guides conduct related to people and the workplace, among other areas. This code guarantees dignified treatment, non-discrimination and equal opportunities, the safety and health of all people working at Acerinox facilities, as well as the existence of a respectful work environment with fair treatment for all employees.

In other words, this code reflects the Acerinox Group's commitment to defending the human and workers' rights of all employees (in accordance with those recognized in national and international legislation and the principles upon which the United Nations Global Compact is based, reaffirming the absolute prohibition of child labor and any form of labor coercion).

Specifically, this Code also states that the Acerinox Group does not tolerate any type of situation or conduct, actual or potential, that involves discrimination based on race, nationality, origin, sex, sexual orientation, marital status, age, religion, ideology, disability or any other personal, physical or social condition, both in the Group's own activities and in those that may be carried out by its Business Partners.

In 2025, in order to align the Group's policies with the new standards, the Acerinox Board of Directors approved the **Human Rights Policy**, aligned with the UN Universal Declaration, the UN Guiding Principles on Business and Human Rights, the Organization for Economic Cooperation and Development Guidelines for Multinational Enterprises, the principles on which the UN Global Compact is based, the principles contained in the conventions of the International Labor Organization, as well as the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy.

This policy reflects the Acerinox Group's commitment to take appropriate measures to identify and manage risks and adverse effects on human rights, including workers' rights, that may arise from its products, services and operations or from the individuals or legal entities that have business relationships with the Group throughout its activity chain. The principles of the Policy are applied, where appropriate and to the extent applicable, to the individuals or legal entities that have commercial relationships with any of the entities comprising the Acerinox Group throughout their chain of activities.

Similarly, the Group approved an **Equality, Diversity and Inclusion Policy**, the purpose of which is to reaffirm Acerinox's commitment in these areas, promoting an environment that ensures equal opportunities, the absence of any discrimination and that promotes diversity and the inclusion of all employees, always in accordance with current legislation in each country and with international best practices.

The above principles apply to staff selection, hiring and promotion processes. The Work Selection and Promotion Policy establishes the basic principles for action in this area and ensures that recruitment processes are carried out in accordance with the principles of merit and ability, establishing the basis for preventing discrimination during the hiring and promotion phases.

The policies described promote the elimination of discrimination, particularly harassment, the promotion of equal opportunities and the right to freedom of association. They also establish procedures to ensure that discrimination is prevented, mitigated and addressed once detected.

It also includes the **Corporate Whistleblowing Channel Policy**, which establishes which matters can be reported through the Channel, what the mechanisms are and what information the reports must contain. This policy also establishes safeguards for the whistleblower and persons affected by the allegations, including an express prohibition of any type of retaliation.

In addition, the Group has a **Sustainability Due Diligence Policy**, also approved in 2025. This establishes Acerinox's commitment to identify, prevent and mitigate the risks that Acerinox's activities may cause to people and the environment.

It should be noted that these policies establish that the Company shall ensure that the principles contained therein are applied, where appropriate and to the extent applicable, to persons who have business relationships with the Group throughout its activity chain.

Acerinox Group Spanish companies also have **Equality Plans** that aim to mitigate and reduce the differences between men and women with measures relating to selection, promotion, equal pay for men and women, and work-life balance. In particular, in 2025 Acerinox S.A., Acerinox Europa, Inoxfil and Inoxcenter have negotiated new Equality Plans, as detailed in the "Diversity" section.

As for safety and health, Acerinox uses an **Integrated Health, Safety, and Environment Policy**, approved by the Board of Directors. Safety is one of the key values guiding Acerinox's efforts to consolidate its leadership in the stainless steel and high-performance alloys manufacturing sectors.

The Acerinox Group operates with the belief that all negative incidents and impacts concerning the health and safety of its employees can be prevented and avoided. Therefore, it focuses on risk management to reduce, minimize, or eliminate them. 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 also defines priorities and calls for the planning and implementation of action plans. It also promotes communication, consultation, and active participation of employees and other stakeholders as a crucial component in implementing health and safety management systems. This Policy encompasses everyone working at the Group's sites, including both employees and contractors.

This set of policies establishes that the Board of Directors, as the highest supervisory body, is ultimately responsible for setting out strategy and overseeing the risks, objectives and results in areas related to human capital, diversity and inclusion, human rights and occupational health and safety.

The Group has implemented **management systems** based on the ISO 45001 standard for occupational safety and health, ensuring compliance with applicable local regulations. 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.

Cardinal Safety Rules

Commitment to people

S1-2, S1-3

The Acerinox Group is committed to creating a work environment that fosters active collaboration both with its employees directly and with their representatives, through continuous two-way communication with all of them. In this regard, the Company has different channels for its relationship with employees that ensure this ongoing relationship. These are ultimately driven and supervised by the Human Resources Department.

The information collected through these channels is assessed and used for decision-making and the deployment of measures and initiatives to manage the impacts, risks and opportunities related to the company's own staff that have been identified.

To this end, Acerinox has strengthened its channels for social dialogue and internal communication. In 2025, a new global consultation process has been launched through an engagement survey. These surveys make it possible to systematically gather employee perceptions regarding key matters for the organization - such as job satisfaction - and to understand their needs, transforming impressions regarding satisfaction and work environment into concrete action plans that respond to the identified needs.

Continuous dialogue and employee participation are essential for Acerinox. For this reason, it promotes active collaboration with trade union organizations based on mutual respect and explicit recognition of their legitimacy as representatives of its own staff. This relationship is governed by the ethical principles and values that guide its good corporate practices, ensuring a framework of stable dialogue.

Through regular meetings with employee representatives, the company and the unions jointly address working conditions, compensation, conflict resolution and mediation mechanisms, internal cohesion and any issues of common concern or interest to both parties. Specifically, it also addresses the processes of negotiation and updating of collective bargaining agreements.

An example of the above is the meetings held with the different Works Councils and Health and Safety Committees, which ensure that the legal representatives of the workers actively participate in the life of the organization.

Similarly, since 2023, the Acerinox Group has held periodic sessions called Acerinox Insights. This is a high-level forum where managers report on the Company's strategy regarding finance, sustainability or digitalization, among other topics. In this way, employees throughout the Group - regardless of the business unit and geographical area in which they carry out their activities - as well as other stakeholders can learn about current issues related to the Company's strategy. As part of this communication strategy, which emphasizes listening to the interests and opinions of team members, the role of the Innovation Committee has been enhanced. This committee gathers all suggestions for continuous improvement through various channels that are accessible to all employees.

Another communication mechanism is the performance evaluation process, framed within the Management by Objectives (MBO) program. The meetings held as part of the MBO system align staff's individual objectives with the Company's objectives, encouraging effective feedback and dialogue with those directly responsible for each employee. This performance management process is based on strategic alignment and bidirectional communication, where each manager communicates the objectives to his or her teams through constant support. Mid-term follow-up meetings provide effective real-time feedback and give employees an active space to share their impressions, thus strengthening employee engagement.

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. Well-being management is understood as a state of balance that encompasses mental, physical, and emotional health.

In order to reinforce this commitment, the Company has implemented a pilot project to identify psychosocial risks in its centers in Spain using the PSICOMET methodology. This emotional well-being diagnosis allows for the design of precise actions to mitigate critical psychosocial risks, such as fatigue or distraction, ensuring a healthier work environment.

Finally, all employees have access to the Group's whistleblowing channel, allowing them to report anonymously any irregularities or inappropriate behavior they observe. Likewise, through this channel, employees can report any health and safety danger that may pose a risk 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, the aim of which is to organize and promote activities in offices as well as in production sites 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.

Measures to manage impacts, risks and opportunities related to employees

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. Therefore, the Company works every day to ensure that employee welfare is not compromised, to foster a culture of mutual commitment, and to offer stability, flexibility and other social benefits. In this regard, Acerinox takes measures to manage impacts on employees, minimize risks and promote opportunities and positive impacts on the workforce and contractors.

Safe Working Environment

The Group minimizes occupational risks by creating a safe and healthy environment for all people working in its offices, factories, service centers and warehouses, including contractors. 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.

At Acerinox Group's facilities, risk analyses are carried out to prevent incidents by identifying critical factors such as ergonomic risks (repetitive strain injuries - RSI - and load handling), chemical risks (exposure to hazardous substances) and physical risks (noise, vibrations and temperature stress).

The Group's companies have 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. Practically all staff, workplaces and activities for which Acerinox is responsible for control are under one of these Management Systems.

Providing adequate, safe and healthy workplaces is a priority for the Company, but the measures required to control these risks are often complex. Acerinox has established Process Safety Management (PSM) principles focused on systematic analysis for the identification, evaluation and control of risks associated with industrial processes, thus ensuring the protection of people, environment and assets.

The PSM is a combination of engineering, operations and management skills focused on preventing major accidents related to loss of containment of chemicals, energy and molten metal, which could lead to contamination, explosions or fires. 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.

Each of the Group's facilities has a specific Emergency Plan adapted to the nature of its operations, ensuring adequate coordination with local authorities. The effectiveness of these protocols is checked through a regular schedule of drills - both partial and comprehensive - that allows for the continuous optimization of response mechanisms.

Reactive Indicator for Process Safety

	2025	2024
Tier 1	0	0
Tier 2	7	11
PSIR	0.30	0.58

Process Safety Incident Ratio (PSIR) = (Tier 1+2 events)/(hours worked) * 1 x 10^6

When changes occur in facilities or operations, risk analyses are performed. (Management of Change, MoC). In these analyses, employees can express their opinions and report any hazards or preventive observations they see fit.

Raising awareness is a crucial preventive measure. Health and safety training and awareness is an essential tool as a preventive action to ensure that employees and contractors are protected from risks that may arise in the activities they perform on a daily basis.

In this regard, the Group carried out an extensive work to disseminate and communicate the aforementioned Cardinal Rules, organizing safety days at all centers, and 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.

Acerinox 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 5% compared to the previous year at the Group's 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 also 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.

Talent Attraction

The Company is committed to the attraction of young talent to ensure generational renewal. It therefore has programs for recent graduates that allow them to acquire business knowledge and improve their analytical, communication and management skills, in addition to gaining exposure and visibility at all levels of the organization.

Acerinox has also signed collaboration agreements with over 30 universities and training centers, enabling the integration of new talent into the Company, and at the same time helping young people in their transition from academia to the professional world.

The Company is also present at fairs, forums and events that give it the opportunity to bring the job opportunities it offers in various fields closer to the candidates. With these actions, it helps promote employment opportunities for all groups, including those less represented.

One example is the Group's participation in programs such as Steel Challenge, organized by the World Steel Association. The Group participated for the second year 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. The program seeks to attract and retain young talent, bringing the world of steel production closer to university students, industrial vocational training students, doctoral students, young researchers from technology centers and industry professionals who are still beginning their careers in the sector. In the 2025 session, the Group placed three participants in the top 5 of the "Europe and Africa" category.

In addition to attracting young profiles, Acerinox is aware of the value of on-the-job experience through senior talent. For this reason, the Group is committed to hiring people over 50 years of age who bring experience and knowledge.

Stable and Quality Employment

The Company fosters a culture of mutual commitment to employees through stability, prioritizing permanent contracts, in addition to a transparent salary policy and development plans. In the complex market in which Acerinox competes, retention of technical knowledge is the most critical competitive advantage.

To the end, the Group has carried out an objective job evaluation under a certified system in order to ensure a fair, neutral and unbiased structure. It also periodically reviews the salary tables in order to be competitive and ensure fairness. In addition, it guarantees fair remuneration in all the regions where it operates, ensuring salaries that are four times the living wage standard of each country.

The company also implements development plans that demonstrate its commitment to positioning itself as a leading employer that builds loyalty not only with customers, but also with its team of people. As part of this loyalty program, Acerinox promotes follow-up meetings with employees in order to understand their needs and support them in their professional development, motivation and well-being.

The Group has the Excellence Talent Program, a development and training program aimed at strengthening the skills of all employees, regardless of their professional category, preparing them to take on the challenges and responsibilities with which to adapt to the Company's needs. In 2025, 29 people participated in this program. The program is aligned with the MBO to ensure that the employees' development plans also go hand in hand with Acerinox's objectives. This is achieved via an online questionnaire that fosters dialogue between teams and managers.

The Company contributes to employee leadership development through the "Leadership Academy" program, aimed at the Company's professionals who manage teams. Program implementation started in 2024, and in 2025 was extended to all factories and corporate offices. The training itinerary of this program focuses on developing the management and leadership skills of its professionals. These are participative and coaching sessions with team activities. These sessions are aimed at all staff in charge of teams, mostly from the production and operations areas. This initiative has already trained 1,184 employees, with 691 people participating in 2025. In 2026, the program is scheduled for implementation at the commercial offices as well as at the Haynes factory.

Acerinox also has an internal vacancy portal as another tool to develop and retain its professionals. Through internal mobility, the company encourages the promotion of its professionals, who are given the option of continuing their

professional development within the Group. It should be noted that 18.49% of these vacancies were filled internally by Acerinox employees in 2025.

Working conditions

Promoting the well-being of its employees is a priority for Acerinox. The company is aware that its success depends on good employee performance. Therefore, it guarantees a solid system of social protection, offers flexibility and works to ensure the well-being of all employees.

The Company 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. Other social benefits are also offered, such as health insurance, school assistance, transportation assistance and meal tickets or pension funds, among others. These position the company as a leading employer.

For employee welfare, Acerinox has Employee Assistance Programs (EAPs) at its main facilities. These programs provide, among others, psychological counseling services 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. Through this service, the Company contributes to its professionals' by providing them with tools to deal with stress and ensure their psychological well-being at work and in their personal lives.

Acerinox Europa is at the forefront of the sector after being certified by AENOR as a Healthy Organization in 2025. Thanks to the maturity of its Healthy Organization Management System (SIGOS in Spanish), the company integrates the WHO (World Health Organization) guidelines in a cross-cutting manner across all its facilities in Spain. Beyond legal security, this continuous improvement model ensures an environment focused on psychosocial well-being and whole-person health.

First company in the steel sector in Spain to obtain the Healthy Organization certification

Finally, with regard to flexibility, measures have been implemented to help improve work-life balance. Such measures promote shared responsibility between men and women, making professional careers compatible with personal needs. These measures include flexible start and end times, the possibility of continuous and part-time work, and the implementation of remote work.

Specifically, in 2025, Acerinox won the Best Company for All Talent 25 award for its commitment to talent management, integration and development by fostering a diverse, equitable and inclusive work environment.

Likewise, VDM Metals (Germany) has been certified as a "Great Place To Work", awarded to the most attractive companies to work for. This is because it has managed to transform the work environment into an ecosystem of well-being, where mutual trust and respect are the pillars that support the company.

Parameters and goals

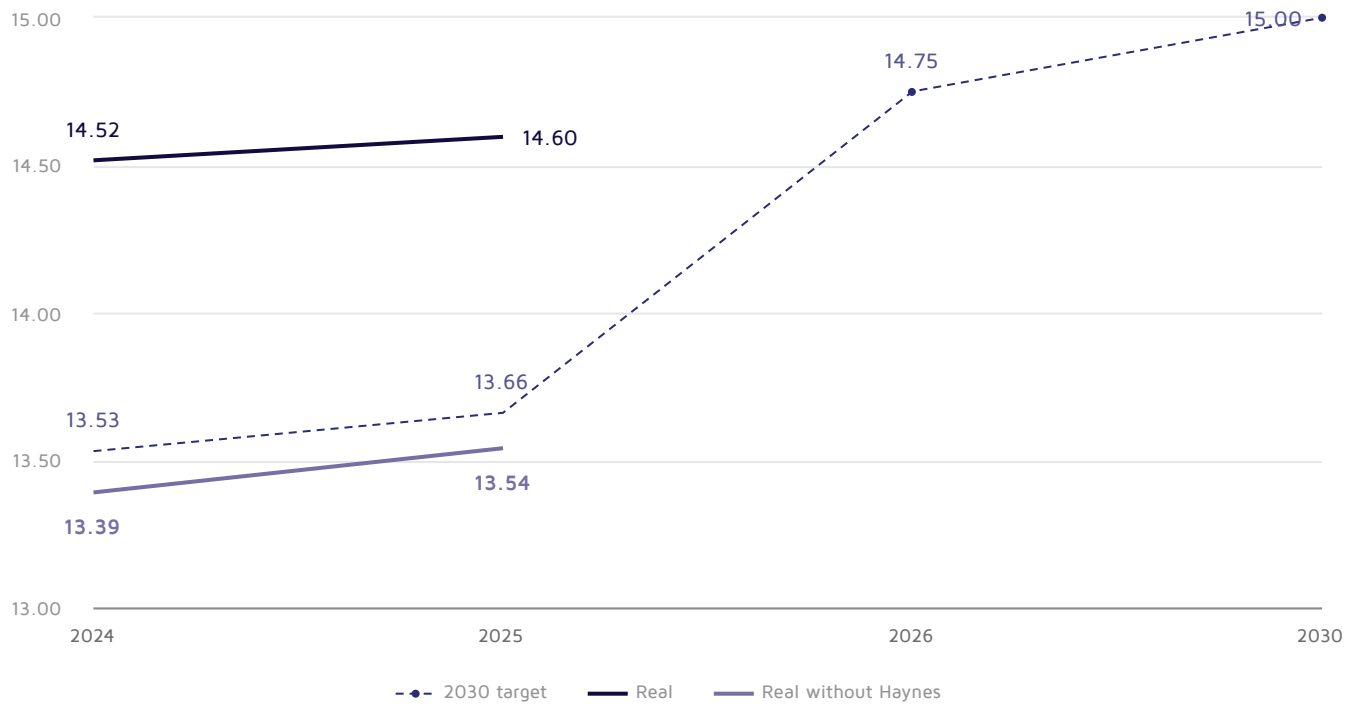
S1-5

In 2025, Acerinox has continued to make progress towards its strategic target of achieving 15% female representation on staff by 2030. Specifically, this year, 14.6% were women (13.39% in 2024).

For more information on performance in this area, see the Diversity section.

Acerinox Group

% women in the staff



Additionally, in 2025, a target was set to reduce the Lost Time Injury Rate (LTIR) by 10% compared to the previous year's target, achieving a decrease of more than 15%.

Acerinox met the sustainable credit target linked to the reduction of the **LTIFR** with a score of 3.01 compared to the target of 3.42. 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. The established processes are embedded within the departments responsible for daily compliance with the Company's 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

The staff figures correspond to the number of employees at year-end. Information on the average number of employees is included in the Consolidated Financial Statements, Note 18.2.

Number of employees

Gender	2025	2024
Men	7,801	7,944
Women	1,338	1,349
Other	0	0
Not reported	0	0
Total employees	9,139	9,293

Number of employees*

Country	2025	2024
Germany	1,825	1,779
Spain	2,564	2,626
United States	3,184	3,192
Italy	46	54
Malaysia	48	50
South Africa	1,226	1,289
Other	246	303

*Number of employees in countries with 50 or more workers.

	2025				2024			
	Women	Men	Other (*)	Total	Women	Men	Other (*)	Total
Number of employees	1,338	7,801	0	**9,139**	1,349	7,944	0	**9,293**
Number of permanent employees	1,313	7,640	0	**8,953**	1,307	7,781	0	**9,088**
Number of temporary employees	25	161	0	**186**	41	164	0	**205**
Number of non-guaranteed hourly employees	0	0	0	**0**	0	0	0	**0**
Number of full-time employees	1,270	7,775	0	**9,045**	1,274	7,926	0	**9,200**
Number of part-time employees	68	26	0	**94**	74	19	0	**93**

	2025					
	Africa	America	Asia	Europe	Oceania	Total
Number of employees	1,226	3,219	106	4,579	9	**9,139**
Number of permanent employees	1,226	3,190	90	4,440	7	**8,953**
Number of temporary employees	0	29	16	139	2	**186**
Number of non-guaranteed hourly employees	0	0	0	0	0	**0**
Number of full-time employees	1,226	3,205	106	4,499	9	**9,045**
Number of part-time employees	0	14	0	80	0	**94**

	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 2025, 986 employees left the company (575 in 2024). Of these, 340 were layoffs (126 in 2024), 525 were voluntary resignations (312 in the previous fiscal year) and 121 were retirements (137 in 2024). Thus, the total turnover rate for the year was 10.79% (in 2024 it was 6.19%[1]). This rate is calculated by dividing the total number of employees who left during the year, including voluntary resignations, layoffs and retirement, by the total number of employees at year-end.

The Group's voluntary turnover rate in 2025 was 7.07%. To calculate this, the number of people who voluntarily leave the organization - either by voluntary resignation or retirement - is taken over the total number of employees at year-end. In 2024, this rate was 4.83%.

In relation to the above, the Group has implemented exit interviews with people who voluntarily leave the Company as a tool to identify opportunities for improvement and detect reasons that influence employee turnover.

Collective bargaining coverage and social dialogue

S1-8

The Company's labor relations framework is based on strict compliance with the legal frameworks and collective bargaining agreements in force in each geographical area. Acerinox fully guarantees the representation and collective bargaining rights of all its professionals, maintaining a fluid and permanent dialogue with legal representatives and trade unions in an ethical, transparent manner. This approach ensures that working conditions are always managed in accordance with applicable agreements and the Company's best practice standards. At these meetings, policies regarding labor welfare, occupational health, organizational efficiency and internal promotion are discussed and agreed upon.

In Spain, 100% of employees and operating centers have negotiated collective bargaining agreements, and 97% of employees are represented by unions or workers' representatives. In this geographical area, Acerinox has more than 10 different collective bargaining agreements. These form the basis of the social dialogue framework within which the mutual interests of the Company and its employees are addressed.

[1] The fiscal year 2024 turnover rate has been recalculated, including retirements, to ensure comparability with fiscal year 2025.

In addition, the Acerinox Group includes its employees in collective bargaining agreements in Italy, Germany, South Africa and the United States, all of which are represented by an internal body or by a sector union.

Globally, as of December 31, 2025, 59.96% of employees are covered by labor negotiation frameworks (60.36% in 2024).

2025	Collective bargaining coverage		Social dialogue	2024	Collective bargaining coverage		Social dialogue
Coverage rate	Employees - EEA*	Employees - Non EEA	On-site representation (EEA only)	Coverage rate	Employees - EEA*	Employees - Non EEA	On-site representation (EEA only)
0-19%		Malaysia		0-19%		United States Malaysia	
20-39%		United States		20-39%			
40-59%		South Africa		40-59%		South Africa	
60-79%				60-79%			
80-100%	Germany Spain		Spain	80-100%	Germany Spain		Spain

Countries with more than 50 employees are shown
*EEA: European Economic Area

Diversity

S1-5, S1-9, S1-11, S1-12

The Acerinox's Equality, Diversity, and Inclusion Policy outlines the fundamental principles applied across all Group companies. This includes procedures to prevent discrimination of any kind and to promote diversity.

The Equality Plans, the result of union agreements, complement the framework that guides the Company's actions in this area. As mentioned above, in 2025, Equality Plans have been negotiated at Acerinox S.A., Acerinox Europa, Inoxfil and Inoxcenter. These plans are the guide for action to promote real equality, performance-based equity, continuous professional development and the promotion of co-responsibility to ensure work-life balance. The success of these agreements rests with the Monitoring Committees, which regularly check the implementation of the measures to certify their real impact and compliance.

Under this approach, the Group annually promotes initiatives to foster female talent, with special emphasis on areas and professional levels where women are underrepresented. It also actively promotes the social and labor inclusion of people with disabilities, functional diversity and minority ethnic groups, and is also committed to generational diversity.

Specifically, for women's incorporation and professional development, we have progressively increased the presence of women in the technical maintenance area of several production centers. This progress is particularly noteworthy at the operational level, where they have been less represented up to this point.

As of the end of 2025, the Acerinox Group consists of 7,801 men and 1,338 women (7,944 men and 1,349 women in 2024). The total number of directors is 30, with 24 being male and 6 female. The next management tier comprises 405 managers (323 male and 82 female). In 2024, the Company had 33 directors, with 28 male and 5 female directors, while there were 320 male managers and 82 female managers.

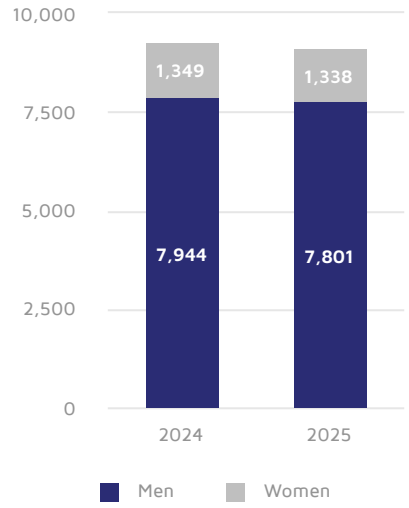
Training projects have also been launched in Spain, such as the Progresa Program, backed by Foment del Treball, CEOE and Esade. This initiative seeks to prepare high-potential women to take on new challenges in their careers and

support them in assuming leadership positions at the Company. The program focuses on the reinforcement of management, leadership and team management skills, understanding that human capital is the fundamental pillar for organizational success. It also promotes the development of strategic communication skills, and through the creation of networking groups, coaching and mentoring, participants build individual talent and their alignment with the business strategy.

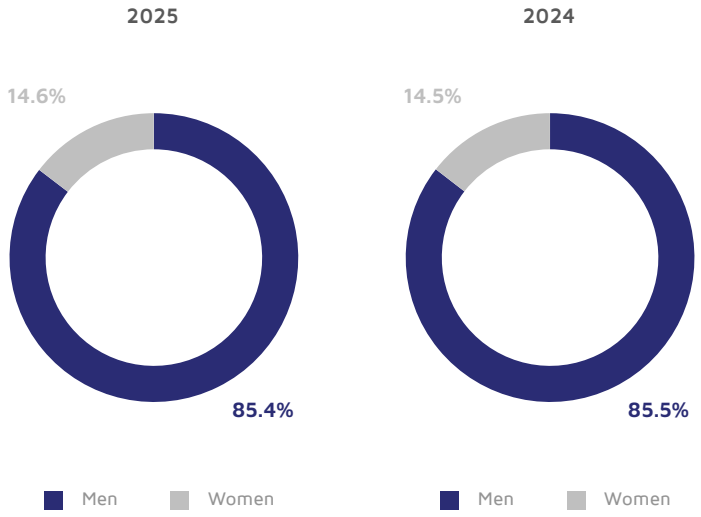
Acerinox also participates in spaces for debate and empowerment, such as Women in Steel. This is a workshop at which, through regular sessions, collaborative guidance is provided to address issues such as team management. It provides support and tools to meet the challenges of a predominantly male-dominated industry. Another forum in which the Company is present is Women of Steel, a UNESID platform that serves as a meeting place for women professionals in the steel sector to assess current trends and discuss solutions to emerging challenges.

Another diversity initiative is Girls' Day. This activity, held at VDM Metals, consists of an internship event designed to familiarize young women with the typical professions of the metallurgical sector. Also noteworthy was the Women in Steel day, organized by NAS, which included panel discussions, presentations, workshops and opportunities for professional networking.

No. of employees



% of employees



To promote the inclusion of groups that have had difficulty entering the labor market, such as people with disabilities, the Group's strategy includes two lines of action. First, enhancing employability and directly hiring persons with disabilities. By the end of the financial year, Acerinox employed 253 persons with disabilities (217 men and 36 women). In 2024, the Group had 258 people with disabilities (227 male and 31 female). Second, Acerinox engages in initiatives and programs to raise awareness and provide training on disability issues for its employees.

Acerinox collaborates with various foundations to develop activities that improve the quality of life of people with intellectual disabilities. In this regard, the Company has a volunteer program with the A LA PAR Foundation, the CAMPVS program, the aim of which is to facilitate access to the labor market for students with intellectual disabilities. Company volunteers mentored the students in one-on-one meetings to help bring them closer to the world of work.

In addition, the employees participate in workshops, team-building activities, promotion of teamwork, mentoring sessions and training programs for this group.

In the Acerinox Group, diversity is also reflected in plurality and multiculturalism. The Company has a widespread geographical presence, which means that we also have employees of a large number of nationalities.

Table of nationalities

Country	Number of employees 2025	Country	Number of employees 2024
Germany	1,590	Germany	1,605
Spain	2,562	Slovenia	109
United States of America	1,626	Spain	2,514
Italy	67	United States of America	1,639
United Kingdom	88	Italy	72
South Africa	1,227	United Kingdom	86
Turkey	168	South Africa	1,290
Other	1,393	Turkey	169
Total employees	**9,139**	Other	1,390
		Total employees	**9,293**

Finally, regarding generational diversity, multiple generations are represented in the workforce, with a higher representation of older age employees.

	2025	2024
<30 years	1,064	1,099
30-50 years	4,846	5,023
>50 years	3,229	3,171
Total	**9,139**	**9,293**

Acerinox, via the Company's CEO Bernardo Velázquez, 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.

In line with the above, the Company also participates in the Empowering Women's Talent program, which aims to promote gender equality and manage diversity in the corporate environment (age, disability, gender, etc.), making female talent visible and creating networks between companies to promote change. A total of 118 women participated in this program in 2025.

Training and skills development

S1-13

Training is the driver of competitiveness in a market that demands qualified, committed talent.

Acerinox drives this growth through continuous training, which uses skill matrices to identify and cover the specific training needs of each job position. In addition, the Company has a corporate campus where training in safety and health, technical training, Artificial Intelligence, language skills, management and leadership, among other topics, is made available to our employees. Through this tool, employees can also access training on specific topics related to environmental practices, diversity, harassment, discrimination and ethical issues, among other topics.

In addition, the Group has reached an agreement with Steel University to provide Acerinox employees with access to product training courses to improve performance and competitiveness.

In 2025, the average number of training hours per employee was 58.2 hours, similar to the average number of training hours in the previous year (58.8), an average of 62.3 training hours for men and an average of 39.7 training hours for women (61.4 hours for men and 48.51 hours for women in fiscal year 2024). The average training expenditure per employee was €360. (€336 for men and €499 for women).

Training programs are offered to both full-time and part-time employees. Those relating to health and safety, for example, are aimed at both employees and contractors.

Average hours of training per employee

		2025	2024
Director	Men	14.9	4.0
	Women	16.7	7.5
	Total	**15.3**	**4.8**
Manager	Men	22.9	16.3
	Women	31.6	24.6
	Total	**24.7**	**18.1**
Analyst	Men	23.0	25.5
	Women	25.5	30.0
	Total	**23.6**	**26.7**
Specialist	Men	12.0	22.7
	Women	17.4	14.7
	Total	**14.1**	**19.7**
Administrative staff	Men	23.2	25.2
	Women	19.1	26.1
	Total	**21.3**	**26.0**
Operator	Men	103.5	102.4
	Women	87.8	109.3
	Total	**102.4**	**102.9**
Total		**58.2**	**58.7**

No. of employees trained

		2025	2024
Director	Men	20	22
	Women	6	7
	Total	**26**	**29**
Manager	Men	279	257
	Women	75	73
	Total	**354**	**330**
Analyst	Men	639	589
	Women	208	211
	Total	**847**	**800**
Specialist	Men	362	351
	Women	219	212
	Total	**581**	**563**
Administrative staff	Men	377	418
	Women	313	326
	Total	**690**	**744**
Operator	Men	4,334	4,371
	Women	311	336
	Total	**4,645**	**4,707**
Total		**7,143**	**7,173**

Training hours

		2025	2024
Director	Men	297	88
	Women	100	53
	Total	**397**	**141**
Manager	Men	6,391	4,185
	Women	2,368	1,795
	Total	**8,760**	**5,980**
Analyst	Men	14,703	15,024
	Women	5,314	6,338
	Total	**20,017**	**21,361**
Specialist	Men	4,347	7,956
	Women	3,820	3,106
	Total	**8,168**	**11,062**
Administrative staff	Men	8,764	10,525
	Women	5,964	8,510
	Total	**14,728**	**19,035**
Operator	Men	448,559	447,743
	Women	27,308	36,708
	Total	**475,867**	**484,451**
Total		**527,936**	**542,031**

The MBO program is the tool with which, as previously mentioned, the Company manages the individual and overall performance of the Group's employees who are subject to this evaluation, in line with Acerinox's strategic targets.

It is a process of continuous improvement and as such, it is a learning process shared by the Group's employees and the entire organization. It also provides greater clarity about what is expected of each individual and fosters ongoing dialogue and support between the manager and their employees.

The principles governing the Acerinox MBO System are (1) simplicity: a simple system has been designed based on common criteria that allow it to be understood, as well as easily monitored and evaluated; (2) responsibility: there is commitment between the person in charge and the collaborator, encouraging both to interact terms of expressing expectations and communicating what is expected of each to achieve the expected final results; and (3) transparency: the entire group knows the system through transparent communication in goal-setting and the degree of achievement.

At the end of 2025, 41%[2] of employees participated in this performance evaluation. 40% of the Group's men participated, while 49% of women did. In 2024, 50% of employees had a performance evaluation (48% of men and 61% of women).

[2] The decrease in the percentage of employees with performance evaluations in 2025 compared to the previous year is due to the temporary suspension of the performance evaluation process at the Columbus factory. This process will resume in 2026.

No. of employees with performance assessment

		2025	2024
Director	Men	20	23
	Women	6	5
	Total	**26**	**28**
Manager	Men	239	210
	Women	71	68
	Total	**310**	**278**
Analyst	Men	478	500
	Women	157	160
	Total	**635**	**660**
Specialist	Men	193	189
	Women	120	121
	Total	**313**	**310**
Administrative staff	Men	47	205
	Women	83	177
	Total	**130**	**382**
Operator	Men	2,052	2,567
	Women	149	213
	Total	**2,201**	**2,780**
Total		**3,615**	**4,438**

% staff subject to performance evaluation

		2025	2024
Director	Men	83%	85%
	Women	100%	100%
	Total	**87%**	**88%**
Manager	Men	80%	71%
	Women	92%	85%
	Total	**82%**	**74%**
Analyst	Men	71%	74%
	Women	74%	78%
	Total	**72%**	**75%**
Specialist	Men	61%	59%
	Women	62%	63%
	Total	**61%**	**61%**
Administrative staff	Men	8%	35%
	Women	21%	44%
	Total	**13%**	**39%**
Operator	Men	36%	44%
	Women	46%	65%
	Total	**37%**	**46%**
Total		**41%**	**50%**

Work-life balance

S1-15

At Acerinox, we understand that work-life balance is essential. As a result, the Group has set as one of its strategic goals upholding work-life balance rights and related leave.

With regard to paternity or maternity leave, in Spain, other European countries such as Sweden, Portugal and Germany, and in the United Kingdom and the United States, 100% of employees are entitled to take parental leave. In all cases, the legislation in force in each country applies.

In addition to paternity or maternity leave, employees are entitled to other paid leave to care for family members. In addition, in other regions such as Colombia, Peru, Singapore and India, workers are granted different rights and family leaves that promote work-life balance and co-responsibility.

The promotion of work-life balance has taken shape as a fundamental avenue to attract young talent. During 2025, we monitored re-entry and retention rates after parental leave, ensuring that motherhood and fatherhood do not hold back career growth in the industry. In 2025, 7,684 were eligible for parental leave (9,132 in 2024). Of these, a total of 266 enjoyed paternity and maternity leave (216 men and 50 women). In fiscal year 2024, 241 employees (201 men and 40 women) took leave. In addition, it should be noted that, similar to the previous year, a high level of return-to-work was maintained, with 251 of the 266 employees who took this leave returning to work. That is, the return-to-work rate in 2025 was 94%; in 2024, 95% of employees returned to work (99% of men and 75% of women).

The Group also promotes other measures that favor work-life balance, such as the right to digital disconnection, the provision of breastfeeding rooms, and offering assistance for the care and education of employees' children.

Remuneration (pay gap and total remuneration)

S1-16

Acerinox's salary policy is based on the principles of fairness, transparency and objectivity, rejecting any type of direct or indirect discrimination. The system consists of a fixed salary, determined exclusively by objective criteria such as career history, level of responsibility and professional category in the organizational chart, plus variable compensation, which is linked to the achievement of individual and departmental key performance indicators (KPIs), as well as the Group's financial results. This ensures that variable compensation is determined through objective indicators. The program avoids subjective evaluations, thus minimizing any potential for discrimination.

The Company is thus committed to equal pay. Equal pay is actively monitored by calculating the pay gap, understood as the percentage difference between the average earnings of men and women.

The wage gap for 2025 is 11.54%[3] (6.74% in 2024). This was calculated as the average gross hourly pay of male employees minus the average gross hourly pay of female employees, divided by the average hourly pay of male employees. For this purpose, the number of hours worked by men and women reported in the calculation of accident rates (S1-14) was taken into account.

This wage imbalance is due to structural factors in the industrial sector, such as the late entry of women into the steel industry and the weight of pay linked to seniority and shift work, where the male presence is mostly higher due to the historical configuration of the workforces.

In terms of distributive justice and transparency, it is reported that the total annual compensation of the highest paid senior manager is equivalent to 18 times the average salary of the rest of the workforce (32 times in 2024, excluding the highest-paid officer). This ratio makes it possible to evaluate internal salary cohesion and compliance with corporate governance standards.

Health and safety

S1-5, S1-14

In 2025, Health and Safety performance significantly improved compared to 2024. The main benchmarks have improved by 15% for the LTIFR and 16% for the TIR, including Haynes International operations. These results consolidate the path set out in the HSE strategy to reduce the accident rate across the group.

Additionally, 91% of the Group's employees (90% in 2024) work in facilities that have occupational health, safety, and welfare management systems certified under the ISO 45001 and ISO 14001 standards.

	2025	2024
Number of employees covered by a health and safety management system	8,298	8,448
Percentage of employees covered by a health and safety management system	91%	90%

[3] The increase in the wage gap in 2025 compared to the previous year is due to a variation in the volume of hours worked. This change is primarily explained by the extension of the reporting scope to include Haynes International (the working hours of which were not included in the 2024 figures) and by the normalization of operations at Acerinox Europa, as the volume of hours worked in 2024 was lower due to the strike at that factory.

Reactive Health and Safety Indicator Table (Lagging): 2025 vs 2024

	2025	2024
LTIFR*	3.01	3.83
TRIR**	6.80	8.25
TIR***	19.21	19.12

*LTIFR: Lost time injury frequency rate
**TRIR: Total recordable injury frequency rate
***TIR: Total injury frequency rate
**** Includes data on hours worked by VDM Germany contractors, not included for setting, nor in the calculation of the 2024 target

No Haynes data is included in the 2024 figures. However, it was taken into account when setting the 2025 targets.

Own workforce accident rate

	2025			2024		
	Men	Women	Total	Men	Women	Total
Hours worked	14,424,059	2,515,511	16,939,570	11,874,598	1,968,994	13,843,592
Recordable accidents*	118	6	124	118	6	124
Fatal accidents	0	0	0	0	0	0
Accidents with leave	55	1	56	58	2	60
TRIR x 1,000,000	8.18	2.39	7.32	9.94	3.05	8.96
LTIFR x 1,000,000	3.81	0.40	3.31	4.88	1.02	4.33
Absenteeism hours**	790,940	110,919	901,860	771,970	63,362	835,332
Severity rate = (no. of days lost / no. of hours worked)*1,000	6.85	5.51	6.65	8.13	4.02	7.54
Absenteeism rate (%)	5.48%	4.41%	5.32%	6.50%	3.22%	6.03%
Work-related illnesses	23	0	23	9	0	9
Fatalities due to work-related illnesses	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

	2025			2024		
	Men	Women	Total	Men	Women	Total
Hours worked	5,298,922	979,868	6,278,791	4,273,346	924,029	5,197,375
Recordable accidents*	31	3	34	33	0	33
Fatal accidents	0	0	0	1	0	1
Accidents with leave	13	1	14	12	0	12
TRIR x 1,000,000	5.85	3.06	5.42	7.72	0.00	6.35
LTIFR x 1,000,000	2.45	1.02	2.23	3.04	0.00	2.50
Fatalities due to work-related illnesses	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 2025, 57 complaints were received (56 in 2024). After investigation, it was determined that seven of them did not fall within the scope of the whistleblowing channel. Of the remaining 50 cases, 64% were found to involve breaches of internal regulations or applicable laws (in 2024, non-compliance was identified in 68% of cases). Once they had been analyzed, it was found that there had been no human rights violations.

Workers in the value chain

Strategy
SBM-2

Sustainable supply chain management is an strategic pillar for Acerinox in order to improve business relationships, increase efficiency, anticipate future contingencies, and strengthen corporate reputation. The integration of sustainability as a cross-cutting value in all purchasing and supply chain management processes allows Acerinox to meet the expectations of its stakeholders.

In this context, dialogue with suppliers is essential. The Company channels this dialogue mainly through the Purchasing Department, relying on active listening tools such as the Supplier Portal, corporate mailboxes, meetings with suppliers and on-site audit and verification programs.

Impacts, risks and opportunities and their interaction with strategy and business model
SBM-3

As described in section 7.1 General information, the Company has assessed the material impacts, risks and opportunities for employees in the value chain through a double materiality analysis. This assessment covers both Acerinox's own operations and the complete cycle of its value chain (upstream and downstream phases).

As a result, it has been determined that the Group may have a negative impact on workers in the value chain, particularly service center and factory contractors. As with the company's own employees, the most significant negative impact is the high risk of accidents due to the hazardous nature of certain phases of the production process. However, this is a limited exposure that does not affect the entire group, but is specific to those operators who handle industrial machinery or equipment.

On the other hand, the Company generates a positive impact on the value chain through the application of ESG criteria in the approval and evaluation of suppliers. This requirement encourages the improvement of working conditions for workers in the value chain. Acerinox also offers training and awareness material to its suppliers, facilitating their access and alignment with the best sustainability practices. A positive impact on workers in the value chain has also been identified through the execution of specific action plans aimed at suppliers that show poor performance in ESG audits and suppliers for which potential risks have been identified, facilitating the correction of their practices.

Finally, the risk of reputational impact associated with the detection of irregular supplier practices is considered. Any violation of ethics, human rights or environmental regulations by a business partner constitutes a direct threat to Acerinox's image and values.

Under our commitment to excellence and responsible business conduct, and in response to the results of the double materiality analysis, the Purchasing Department plays a key role in integrating sustainability and operational efficiency. This Department aligns the planning of its activities with the Impacts, Risks and Opportunities (IROs) identified, ensuring that the acquisition of goods and services is carried out under a shared value creation model that minimizes negative externalities and strengthens the protection of workers in the value chain.

In order to comply with due diligence obligations and ensure efficiency and business continuity in the face of global disruptions, the Strategic Procurement Plan 2025-2029 is based on five pillars:

1. **Process optimization**: search for operational efficiency and cost reductions in a complex, uncertain environment characterized by increasing 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 all along the supply chain.

4. **Integrated risk management**: integration of ESG risk management into operational risk management. This approach 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 training to ensure the team has the skills they need in a complex regulatory market and increase productivity.

During 2025, much of the progress focused on harmonizing and cleaning up the supplier database, successfully integrating Haynes' operations under the Group's standards. This consolidation allows Acerinox to operate with a globally aligned supplier base, optimizing risk management and monitoring.

Although Acerinox operationally distinguishes between Direct Purchases (raw materials) and General Purchases (goods and ancillary services), both lines share a single protocol for approval and due diligence. This common monitoring framework ensures that all suppliers meet the same standards.

Acerinox's supplier network is diverse and strategic, ranging from metal extraction and refining to logistics services, maintenance, technical support (HR, R&D, etc.), industrial goods such as refractory material, or industrial gases, among others. This management model allows the Company to rigorously monitor large global suppliers while maintaining its commitment to the environment, allocating 75% of its spending to local suppliers.

Incident, risk, and opportunity management

Policies related to value chain workers

S2-1

Acerinox's sourcing strategy is based on corporate principles that prioritize the management of impacts and risks on workers in the value chain. This commitment is embodied in a sustainable purchasing model that optimizes operational efficiency, reduces Scope 3 emissions and ensures compliance with labor welfare and environmental standards, for example by requiring environmentally friendly packaging conditions from suppliers.

Having been approved by the Board of Directors in 2025, the Company's Sustainable Procurement and Human Rights Policies set the road map for the entire Group. These frameworks define the ethical and environmental behavior expected in each purchase, placing respect for human rights as a strategic priority.

To comply with the new due diligence requirements, the Company has aligned its internal regulations, most notably the Code of Conduct, with international standards, including the UN Guiding Principles, the OECD Guidelines for Multinational Enterprises, the ILO Tripartite Declaration on Multinational Enterprises and its fundamental conventions, the Sustainable Development Goals (SDGs) and the UN Global Compact. Thus ensures that every purchasing process is based on the above.

These principles are mandatory for all Acerinox staff and governing bodies, extending to its business partners through the Business Partner Code of Conduct. Acceptance of this code is an indispensable contractual requirement that imposes rigorous labor, ethical and environmental standards, including the responsibility to declare the use of "conflict minerals" under the guidelines of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

This commitment is reflected in concrete figures: in 2025, 3,186 suppliers ratified these guidelines, an increase of 90% over the 1,676 of the previous year. This meant reaching a coverage of 77.8% in the strategic supplier segment and moving steadily towards the final target of 98%. This target includes both suppliers that have signed the Company's

guidelines and those that can prove that they have their own code of conduct that guarantees equivalent levels of strictness and requirements, thus consolidating this priority of the Strategic Purchasing Plan.

To strengthen this operation, Acerinox also relies on its General Terms and Conditions, which already include fundamental ESG requirements. In addition, it incorporates specific clauses in contracts and individual agreements, creating a comprehensive accountability framework that ensures labor welfare, fiscal transparency and compliance with anti-corruption standards. Along the same integrity-related lines, procurement processes are governed by the Internal Instruction on the Prevention of Money Laundering, establishing mandatory checks for any purchase.

The integration of these policies, together with the acceptance of the Code of Conduct and the different contract tiers (general conditions and specific agreements), forms the basis of the Company's approval process. This mechanism acts as the ultimate filter to consolidate an ethical and sustainable value chain, ensuring that each business partner operates under the Group's high compliance standards.

As part of its continuous improvement strategy, Acerinox is adapting the Supply Chain Risk Management Instruction to the requirements of the Omnibus update. The goal is to streamline risk identification and mitigation, strengthening its role as a facilitating partner by reducing the administrative burden on suppliers, while keeping its high standards intact.

This instruction establishes clear protocols for action: if, during the checks, negative impacts are detected- actual or potential - on sustainability, corrective measures will be activated immediately. In cases of particular seriousness, the protocol empowers the Company to suspend or terminate the contractual relationship, thus ensuring the integrity and resilience of its value chain.

As a result of its due diligence processes, to date no material risks or rights violations have been identified in the Company's value chain, including activities related to child, forced or non-consensual labor, or freedom of association or collective bargaining.

This proactive management model and strict compliance with international standards have been ratified by the ISO 20400 Sustainable Procurement, consolidating Acerinox as a leader in responsible procurement.

Acerinox has obtained ISO 20400 certification for sustainable purchasing. Adopting this standard ensures that the supply chain is robust, transparent and, above all, responsible for the future of the planet

Commitment to value chain workers

S2-2

Acerinox guarantees a transparent and direct relationship with its suppliers and workers in its value chain through specialized channels. While the corporate website acts as a public repository of requirements and policies, the Supplier Portal has been consolidated as a comprehensive management tool for document operations, approvals and performance evaluation. Given its strategic importance, the Business Partner Code of Conduct is always accessible and highlighted on both platforms.

One of the Acerinox's pillar of integrity culture is the whistleblowing channel, a secure channel accessible for its entire value chain. This system allows people to report irregularities or ask questions with complete confidentiality. The model is governed by a specific Group Policy that guarantees transparency in management and, above all, the protection and rights of the people who use it. This policy strictly prohibits any retaliation, threat or attempt against whistleblowers acting in good faith. With this, Acerinox guarantees an environment of maximum trust and security for the whistleblower and consolidates a secure communication environment.

In 2025, the Company launched key initiatives to strengthen its supplier partnerships and measure the effectiveness of its communication:

- **Supplier Satisfaction Survey:** This survey evaluates business partners' perception of the Company's operations and measures its maturity in ethics and sustainability. After a pilot test in 2024 limited to a single plant (220 suppliers and 90% satisfaction), in 2025, it was extended to 300 significant suppliers at Group level. This call resulted in a response rate of 36% and a satisfaction index of 95%, thus achieving an increase of 5 percentage points in the overall assessment and consolidating the deployment of the model at the corporate level.
- **Suppliers Day**: Face-to-face event held at VDM's facilities with 18 key companies in the expansion project to consolidate operational alignment and promote a governance model based on transparency and close collaboration.
- **Supplier of the Year:** Award days held at factories in Spain, the USA, South Africa and Germany with the 6 winning companies to highlight innovation, technological development and an unwavering commitment to ethics and sustainability as drivers of competitiveness.
- **On-site Audits:** More than just a monitoring mechanism, these evaluations allow for direct observation of the supplier's operating culture, transforming technical oversight into an opportunity for joint growth and continuous improvement.

Safety is one of the Group's core values, a commitment extended to all individuals working at its 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 coordinate and assess the health, safety and environmental performance of its business partners.

Measures to manage impacts, risks, and opportunities (IROs) related to value chain workers.

S2-3, S2-4

To adequately manage the impacts, risks, and opportunities identified in the double 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 during operations at its work centers.

As the backbone of its preventive culture, Acerinox incorporates the Six Safety and Health Principles of World Steel, reaffirming its responsibility with the most demanding international standards in the industry:

- All injuries and work-related illnesses can and must be prevented.
- Managers are responsible and accountable for safety and health performance.
- Employee engagement and training is essential.
- Working safely is a condition of employment.
- Excellence in safety and health drives excellent business results.
- Safety and health must be integrated into all business management processes.

Additionally, in 2025 Acerinox launched a Process Safety Framework aligned with international industry benchmarks, thus consolidating a robust system to prevent and monitor operational risks.

This Process Safety Framework establishes the fundamental guidelines for:

- Avoiding containment loss of chemicals with potentially serious consequences for people, the environment and assets
- Improving risk awareness and individual conduct in operations involving hazardous chemicals and processes.

Within this scope, when changes occur in facilities or operations, analyses (Management of Change or MoC) are carried out to assess and monitor potential risks. 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.

Along the same lines, awareness is key to extending the preventive culture to all workers, including partners in the value chain. A key example are the HSE Cardinal Rules, which establish an essential framework for consolidating safety as a non-negotiable and shared value among employees and contractors.

Acerinox also designs specific emergency plans and continuous training programs for contractor staff, promoting a proactive and efficient safety culture. This commitment is reinforced by senior management and factory management, who have targets directly linked to performance in accident rates, thus integrating safety at the heart of operational management.

In parallel, to enhance the positive impacts identified, the Strategic Procurement Plan 2025-2029 includes a road map overseen by the Audit and Sustainability Committees of the Board of Directors. This plan is articulated through the following strategic lines:

Digital ecosystem and continuous monitoring

Acerinox has consolidated a digital ecosystem for evaluation and monitoring by integrating the Supplier Portal with an advanced risk management solution. During approval, business partners complete ESG questionnaires that assess their environmental performance, labor practices, human rights and governance. The depth of this analysis is adjusted to the inherent risk, weighting operational dependence, sector and country risk. While the Supplier Portal acts as the operational core, the risk tool ensures continuous monitoring.

This ecosystem is progressively integrated with the corporate ERP, bringing financial management together with sustainability indicators in a unified data architecture. This approach not only drives process agility and automation, but also ensures end-to-end traceability, enabling proactive and rigorous risk monitoring throughout the supply chain.

As a result of this deployment, Acerinox has mapped its global supply chain, integrating geographic distribution with spending volume and a detailed risk profile. This visibility has led to the identification of 52 single-source suppliers, for which specific mitigation plans are already being implemented to ensure operational resilience. This monitoring system also allows us to prioritize the evaluation of strategic suppliers, checking their regulatory compliance and promoting action plans to ensure their full alignment with the Group's ethical standards.

In addition, the integration of objective sustainability data into the operational environment of Purchasing allows it to move from being merely a consultation to becoming part of performance evaluation and supplier selection. Based on a foundation that guarantees operational continuity and alignment with the Company's values, ESG performance is consolidated as a differentiating factor. Reflecting this commitment, 2,928 ESG assessments were completed in 2025, an increase of 92.6% compared to the 1,520 completed in 2024. These assessments allow us to prioritize those partners with superior sustainability performance where technical and financial conditions are equal. In this way, operational efficiency simultaneously generates a positive impact on its value chain.

Training and social progress

The following projects stand out:

- **Training programs**: For the second consecutive year, Acerinox participated in the "Sustainable Supplier Training Program" backed by the UN Global Compact. This initiative is designed to provide SMEs with the necessary tools to integrate sustainability into their business strategy. In 2025, a total of 154 of the Group's suppliers started this specialized ESG training, and 56 of them successfully completed it. This figure is in addition to the 2024 program, which was completed by 65% of participants (92 out of 141).

- **Promoting diversity**: The South African plant, Columbus, is leading economic equity programs through strategic collaboration with black women-owned businesses. This commitment is part of the global strategy of prioritizing suppliers that promote social and labor inclusion, such as Special Employment Centers. In 2025, the volume of spending allocated to these social impact initiatives reached €26 million, a figure slightly higher than in 2024 (€25.6 million) consolidating the Company's role as an agent of progress in the value chain.

- **Encouraging buying local**: Acerinox helps support local and national industry by awarding projects tailored to the operational capacity of local suppliers, without losing sight of competitiveness. This strategy not only boosts the economy in the regions where the Group operates, fostering stable partnerships, but also reinforces its environmental commitment. By optimizing logistics and reducing transportation distances, the Company achieves a direct reduction in greenhouse gas emissions in the supply chain.

Monitoring, audits and continuous improvement

As monitoring and continuous improvement measures, the following initiatives are noteworthy

- **Third Party Risk Committee**: Committee formed by the heads of the key areas that ensures a strategic vision and a coordinated response to any risk detected at a global level.

- **Supplier audits**: Supplier audits are our most rigorous verification tool for proactive risk management. In 2025, 23 audits were carried out (compared to 43 in 2024), the results of which have been integrated and monitored through the risk management platform.

    - These evaluations, based on quality and sustainability criteria (ESG), are mostly carried out on site. During fiscal year 2025, 12 of these audits were carried out by external auditors accredited under international methodologies such as SMETA (compared to the 43 carried out in 2024), among others, while the rest were performed directly by specialized staff from the purchasing department. This adjustment in the volume of external audits responds to the satisfactory results obtained in the previous year, allowing for more efficient management by also relying on the growth of ESG evaluations and direct feedback obtained from suppliers. This personal presence is a critical monitoring mechanism that allows the digital model to be compared against the operational reality, mitigating inherent risks and rigorously checking the veracity of the information reported by each supplier.

    - No nonconformities were identified as a result of the 2025 audits that require the activation of urgent action plans. However, corrective actions were established with 12 suppliers (compared to the 20 action plans established in 2024) to strengthen their level of compliance, with Acerinox always providing support if needed. In addition, specific recommendations were issued, mainly of an operational nature, aimed at optimizing the efficiency and processes of the Company's partners. These proposals will be systematically monitored during the re-evaluation processes, ensuring that the value chain evolves towards excellence under a model of accompaniment and continuous improvement.

    - This mutual learning approach allows us to optimize internal processes and understand the real challenges our partners face. Thanks to this constant dialogue, the Company is able to build a more resilient supply chain, where the sharing of best practices ensures full alignment with the Group's global standards.

- **Internal training and talent management**: These initiatives are complemented by an internal training program which, at the end of the year, had reached 55% of purchasing staff. The sessions focused on ESG risk management and the Group's ethical principles. After an initial phase in 2024 where 70 people were trained in basic concepts, in 2025, the program became more specialized, prioritizing personnel directly involved in the day-to-day management of suppliers, in driving ESG assessments and audits. In the coming years, training will focus on generating sustainable value, establishing a continuous training model that will guarantee regular updates and refresher sessions on current regulations and trends in the coming years

Beyond training, Acerinox has consolidated an operational responsibility model linked to measurable results: we have integrated sustainability goals and ESG criteria in the performance evaluations of key profiles. In this way, sustainability ceases to be a theoretical concept and becomes a mandatory compliance indicator and a priority factor in every bidding and supplier selection process.

Parameters and goals

S2-5

Acerinox monitors the economic and operational impact of its supplier base to ensure business resilience, leverage opportunities and mitigate risks for workers in the value chain:

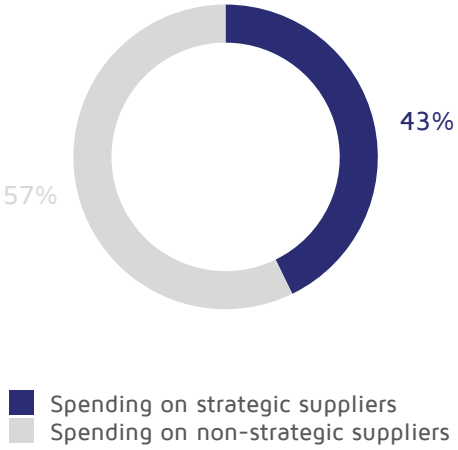
- Local spending vs non-local spending The Company prioritizes geographic proximity as a lever for sustainability and logistics efficiency. In 2025, the representation of local purchasing increased in terms of both the number of suppliers and the volume of spending, driven by our strategic adaptation to the new trade and tariff policy environment in the United States, as well as by the promotion of regional sourcing at plants in Spain. This monitoring enables purchasing teams to strengthen the resilience of the supply chain against changes in the international regulatory framework while simultaneously enhancing our positive impact on local economies.

Number of suppliers and expenditure

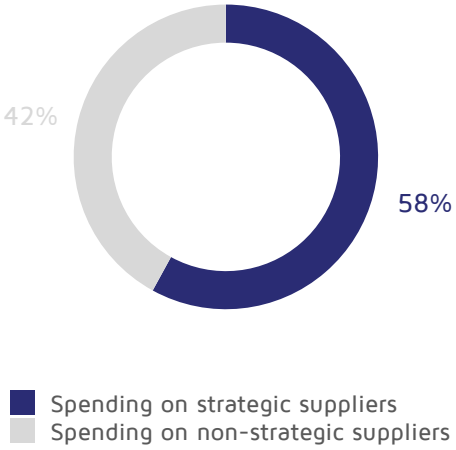
		2025		2024	
	Local spending and supplier target	Total	% local	Total	% local
Number of suppliers	80%	8,340	90.78%	7,335	78.49%
Expenditure (€ thousand)	60%	4,462,789	75.24%	4,396,210	63.36%

- Strategic concentration: Monitoring the concentration of spending on strategic partners maximizes operational efficiency and risk monitoring. Following this strategy of balanced concentration, the indicator was increased from 2024 to 2025, with the aim of stabilizing in a range of 50-60% of total spending. This range enables management and due diligence efforts to be focused on the suppliers with the greatest impact, while actively monitoring operational dependencies to avoid negative supply risks and ensure the Group's resilience. Similarly, the "strategic supplier" criteria changed in 2025, becoming more restrictive in order to increase efficiency. This approach allows for a more robust and sustainable approach to due diligence.

Spending on strategic suppliers (2024)



Spending on strategic suppliers (2025)



- Sustainability assessments: Acerinox evaluates the ESG performance of its suppliers with special focus on strategic suppliers, integrating ethics, environmental management, transparency and human rights criteria. These assessments have increased since 2024 thanks to the digitization and integration of the operating systems and the promotion of supplier collaboration. Looking ahead to 2026, the goal is to increase our ambitions, aiming to evaluate 98% of strategic suppliers and 50% of total suppliers, prioritizing criticality to ensure a responsible and resilient value chain

Indicators related to ESG assessments

	2025		2024	
	Total	%	Total	%
Strategic suppliers (category A) and % with respect to total suppliers	193 [1]	2.31%	346	4.72%
Strategic suppliers evaluated using ESG criteria and % of strategic suppliers evaluated using ESG criteria	186	96.37%	43	12.43%
Target of strategic suppliers evaluated with ESG criteria (%)		90.00%		40.00%
Suppliers evaluated using ESG criteria and % of total number of suppliers	2,928	35.00%	1,520	21.00%

[1] Updated methodology: In 2025, the strategic supplier criteria was updated by raising the current requirements for business volume, operational criticality and inherent ESG risk.

Customers

Strategy

ESRS 2 SBM-2

Customer satisfaction is an strategic pillar for Acerinox. The Company builds the interests and needs of its customers into its strategy, recognizing that the quality and sustainability of its products are key to the success of its own value chains. This feedback is gathered through active listening, which includes surveys, technical visits and close contact with each customer as a result of the relationship that the Company's sales network establishes with all of them. In this way, critical needs are identified in order to transform these into action plans that reinforce our value offering, such as the Customer Portal, the Acerinox Direct e-commerce platform and new types of steel tailored to the specific needs of customers, in addition to products such as Lean Duplex and our sustainable EcoACX®.

This closeness and listening approach is key to minimizing supply vulnerabilities. This management model allows us to ensure quality standards and neutralize the impact of possible operational contingencies, thus protecting the Group's brand value and profitability.

Acerinox is also making progress in reducing emissions across all three scopes: 1, 2 and 3. This commitment has a positive impact on our customers' value chains by directly reducing their Scope 3 emissions, consolidating our position as a strategic ally in meeting their own decarbonization targets.

Impacts, risks and opportunities and their interaction with strategy and business model

SBM-3

The Group is deeply engaged in a complex value chain, supplying stainless steel and high-performance alloys to a variety of industrial sectors. The commercial strategy is differentiated according to the technical specifications and requirements of each market:

Stainless steel sector

In this area, the Group supplies industries focused on consumption, transformation and infrastructures:

- **Construction and infrastructure:** Products for residential and commercial buildings, including applications in elevators, chimneys and ventilation systems.
- **Home appliances:** Provision of materials for the manufacturing of appliances such as refrigerators, washing machines, and dishwashers.
- **Transportation:** Supply for the manufacture of vehicle components, railroad cars and heavy transport equipment.
- **Industrial equipment:** Supply to the chemical, pharmaceutical, food and paper industries for the creation of specialized machinery.
- **Transformers and metal products:** Sales to companies that convert steel into value-added products (precision parts, structural shapes and tubes), as well as to kitchenware and cutlery manufacturers.

Within this segment, the Group has a network of **warehouse operators** who are key to its distribution activities. These intermediaries purchase the products for logistics management, allowing the material to be both stored and processed according to the needs of local manufacturers. In this way, they act as middle links that transform or distribute the product before it reaches the final consumer.

High performance alloy sectors (HPAs):

For applications requiring extreme strength and high-grade technology, the Group supplies special alloys to the following strategic sectors:

Aerospace: Critical components for engines and structures requiring maximum mechanical strength and temperature resistance.

Automotive: High-performance applications in exhaust systems and other technically demanding components.

Oil & Gas: Highly corrosion-resistant materials for extraction, transport and refining environments.

Chemical process industry: Alloys designed to withstand aggressive chemical environments and complex industrial processes.

Electronics and electrical engineering: Precision materials for electronic components and advanced power generation systems.

Energy, environment and sustainability: Supply for renewable energy technologies and emissions monitoring solutions.

Medical engineering: High reliability and precision materials for technologically advanced medical instruments and devices.

Mechanical and hydraulic engineering: Heavy-duty components for industrial machinery and precision hydraulic systems.

Incident, risk, and opportunity management

Policies

S4-1

Acerinox's strategy is based on a framework of policies designed to ensure excellence in service and integrity in business relationships. The Group has a set of internal rules and procedures that regulate interaction with the market, ensuring that each transaction is carried out under standards of transparency and responsibility.

The **Standard Terms of Sale** are the legal basis for all commercial transactions, detailing the terms applicable to the purchase and sale of products. This framework sets out key aspects such as payment terms, applicable taxation and possible price variations. Delivery times and locations are also established, along with the logistical responsibilities of each party in the transportation process. With regard to quality, these conditions include product standards, warranties offered and limits to liability in the event of contractual non-compliance or technical defects.

In addition, the Code of Conduct reflects the Group's commitment to compliance with manufacturing standards. This document establishes that commercial relations must be based on mutual benefit and a constant attitude of service, always under the umbrella of honesty and professional responsibility. The application of this code facilitates fluid communication, optimizes customer service processes and simplifies administrative management.

Customer commitment

S4-2, S4-3

Acerinox performs an exhaustive analysis of the **satisfaction surveys** and **complaints** received in order to strengthen customer relations and mitigate risks. Annually, the Group launches surveys that measure its **Net Promoter Score** (NPS) and evaluate three topics: satisfaction, brand image and strategic positioning. After a month of compilation and follow-up, the Sales Department prepares reports by geographical area and annual comparisons in order to design specific action plans.

In parallel, the Group manages complaints on a daily basis through its ERP systems to provide immediate solutions. This procedure guarantees 100% traceability and classifies incidents into two categories:

- **Technical:** Deriving from manufacturing problems and managed by the factory's Technical Department.
- **Sales:** Related to sales management or transport damage, resolved by the Sales Department.

This procedure is included in the Commercial Instructions Procedure (CIPS) duly authorized and validated by Sales Management. These procedures clearly delimit and specify targets, scope, procedure flows and responsibilities (as well as exceptions, if any). In particular, this adds some service level agreements (SLA) to the previous procedure that must be complied with according to the type of complaint.

This comprehensive analysis allows us to identify that customers' main priorities are product quality, delivery times and incident resolution. As an additional channel of communication and transparency, customers also have access to the whistleblowing channel, where they can submit queries and report infractions.

IROs management measures

S4-4

To optimize incident management and keep customers satisfied, Acerinox relies on an internal and external communication system that prioritizes transparency and channel accessibility.

The **Sales Network** is the cornerstone of this system, establishing direct and fluid channels with sales representatives. This structure allows early problem detection while providing personalized responses to customer concerns. In the event of an incident, the sales network evaluates the most efficient solution and the measures to be taken, which may range from the activation of the formal complaints channel to an in-person visit by technical-sales staff from the subsidiaries or factories for an on-site assessment.

In addition, the Group has a Sector Manager, who acts as a specialized point of contact for each activity sector. This organization ensures that requirements are addressed by subject experts, ensuring that issues are escalated appropriately if necessary. Corrective measures are taken efficiently, incorporating at all times the technical knowledge and experience of the factory departments to offer definitive solutions aligned with the Group's quality standards.

The Group has strict protocols for incident management and quality assurance. The complaint handling process is divided into three operational phases:

1. **Centralized recording:** Immediate recording of any incident in the ERP system.
2. **Assignment of responsibilities:** Designation of a specific person responsible for case management.
3. **Scalability:** In highly complex situations, the incident is handed up to higher levels of the organization.

Each claim is fully traceable from opening to closure, allowing customized action plans to be implemented. The ultimate goal is risk mitigation to avoid the recurrence of detected events.

Audits and service standards to ensure operational excellence: all service centers undergo comprehensive audits based on the ISO 9001 Quality Management standard, covering both transformation processes and workshop operations. At certain centers, additional protocols are applied that include product customization according to customer needs, preshipment inspections to ensure quality standards and quick resolution mechanisms for any defects.

Continuity of supply and deadline management. In order to prevent delivery delays and ensure continuity of service, Acerinox employs inventory management tools:

- **Safety stocks:** These allow us **to respond with agility to variations in demand or unforeseen events in the supply chain.**
- **Consignment stocks:** Material is stored at the customer's facilities to avoid stock-outs and to ensure that their production activity is not frozen by external unforeseen events.

In cases where a delay cannot be reduced, the Group provides for financial compensation and performs a root cause analysis. This detailed investigation identifies the source of the problem in order to apply final corrective measures. The process concludes with a direct follow-up with the customer to verify that the incident was resolved satisfactorily.

Parameters and goals

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 its 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 system ensures compliance with current regulations and legislation, including internal commitments, as well as international codes and best standards of good corporate governance, ethics and the expectations of the Group's stakeholders. The goal is to foster Acerinox's ethical 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.

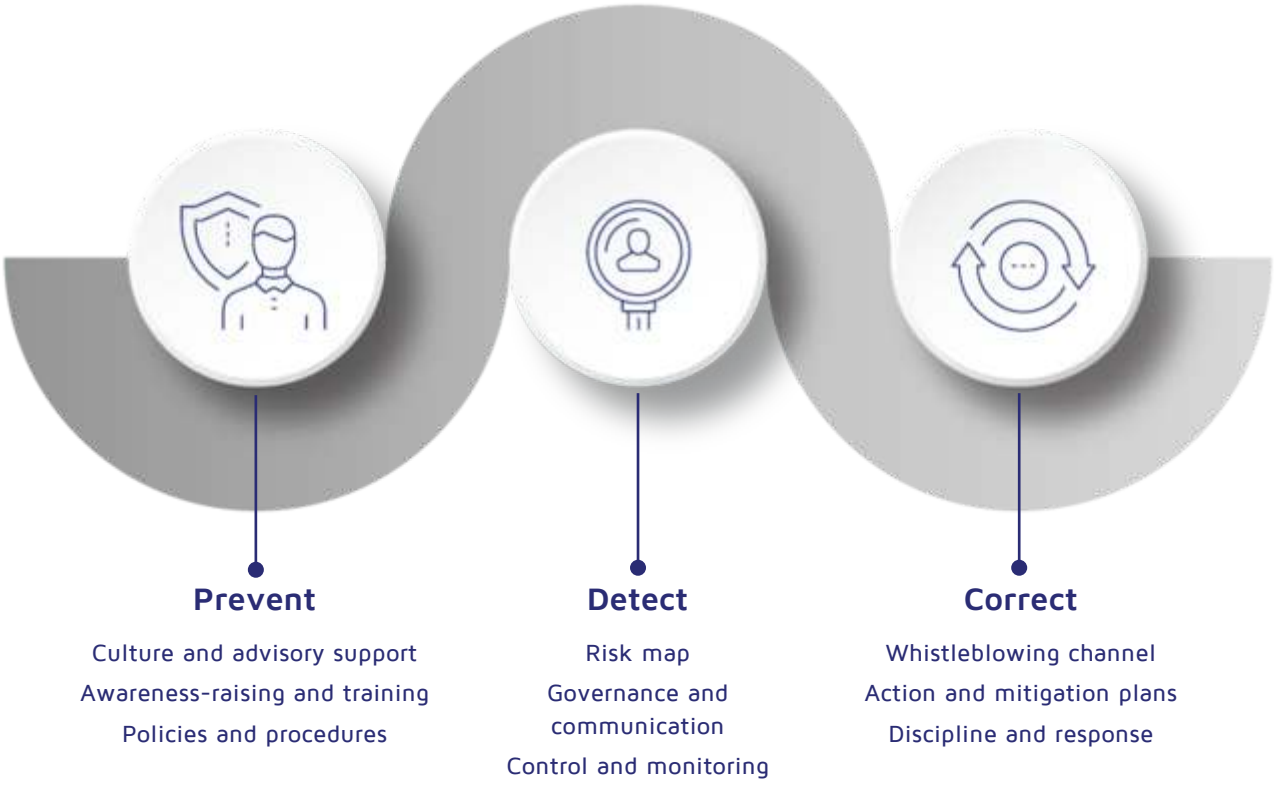
The Compliance Department maintains direct communication with the Audit Committee, the body responsible for overseeing risk management, the prevention model, and compliance policies. In this area, the strengthening of the regulatory framework, the supervision of data protection and the integrated management of the whistleblowing channel stand out.

With regard to this last point, Acerinox has an Ethics 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 is also responsible for interpreting the Code, fostering the use of the whistleblowing channel to verify compliance, and overseeing the processing and resolution of cases in accordance with internal regulations.

The Group operates in strict compliance with current legislation, its internal rules and the Acerinox Code of Conduct. It fosters a culture of zero tolerance for any illegal activity through comprehensive monitoring at all its companies. Under the supervision of the Audit Committee, the Compliance Department leads this model, supported by a strategic network of Compliance Officers and ambassadors at each factory and subsidiary.

Elements of the Compliance Program

Compliance Pillars



Incident, risk, and opportunity management

Business conduct policies and corporate culture

G1-1, G1-3

Acerinox has built its operations on the principles of good governance, ethics, and responsibility, consistently ensuring compliance with and respect for the law. These principles have been the cornerstone of the Group's trajectory and are essential for navigating the current business environment, marked by constant transformation.

Acerinox's international presence entails operating in a complex and globally diverse regulatory ecosystem. 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 October 2025, the Board of Directors approved the new version of the Acerinox Group Code of Conduct.

This Code establishes the standards of conduct governing the actions of all persons within its scope, as well as the management of the Group's business and corporate activities.

With this update, the Code of Conduct becomes the essential framework for conducting operations 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 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.

This Code of Conduct applies without exception to the entire Acerinox Group, and in particular to the following natural and legal persons, regardless of their nationality or location:

• All entities that are members of the Acerinox Group, regardless of their legal form;

• All natural persons forming part of the organization, including members of its governing bodies, senior management, other officers, employees (including temporary employees or those subject to collaboration agreements), volunteers and associates, as well as all other persons reporting hierarchically to any of the foregoing, in all cases regardless of their position, responsibility, role, functional reporting line or the Acerinox Group entity in which they provide their services.

Furthermore, to safeguard the effectiveness of the principles and conduct established in this Code, the Group will endeavor to ensure that these also extend to third parties, whether individuals or organizations with which it maintains business relationships (including suppliers, subcontractors, customers, consultants, advisors, commercial agents, temporary employment agencies, candidates for positions within the Group, partners and others), regardless of their geographical location.

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.

The Ethics Committee, which reports to the Board of Directors through the Audit Committee, is the body responsible for overseeing compliance with and internal dissemination of the Code among employees. The Committee periodically reports to the Audit Committee any breaches of which it becomes aware within the scope of its responsibilities, interprets the Code in each case, and monitors and oversees the processing and resolution of cases in accordance with the applicable internal regulations. Annually, it submits to the Audit Committee an annual report on the channel's operation, indicating the number of complaints received and their origin (internal/external). It also reports the type of complaints, the number of complaints investigated, the resolution of the cases and, if applicable, the corrective measures taken by the Group. Failure to comply with the Code may give rise to labor sanctions, which will be proportional to the nature and seriousness of the infraction and without prejudice to other possible administrative or criminal consequences that, if applicable, may arise based on the applicable legal system.

Taking the Code of Conduct as the framework document, Acerinox has deployed a compliance system headed by its Crime Prevention Model. This system is developed through specific instructions regulating critical areas such as bribery prevention and gift management, conflicts of interest, competition law and sound financial practices. Strict protocols are also established for confidentiality and non-disclosure, third-party risk management and action in the event of potential criminal offenses.

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 aforementioned whistleblowing channel constitutes a secure means of communication; reports may be submitted anonymously and are in all cases treated confidentially. The channel complies with applicable personal data protection regulations and safeguards the rights of whistleblowers, related third parties and persons affected by the report. It was adapted to Act 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.

In 2025, the process of integrating and unifying the whistleblowing channels of all Group companies was completed, enabling internal and external stakeholders across all companies to report any irregularities detected through a single common channel. To this end, new rules governing the channel have been approved:

- Corporate Whistleblowing Channel Policy, the purpose of which is to establish the general operating principles of the Acerinox Group whistleblowing channel. It defines what matters may be reported, the mechanisms available for reporting and the information that reports must contain. It also establishes safeguards for whistleblowers and persons affected by reports. This policy expressly prohibits any form of retaliation, including threats of retaliation and attempted retaliation, against whistleblowers acting in good faith.
- The Corporate Complaints Management and Investigation Procedure, approved in January 2026, aims to establish a common protocol for conducting investigations. This procedure complies with leading international standards in this area, such as ISO 37002 and ISO 37008.

The whistleblowing channel is accessible at all times through the following means:

Digital reporting platform

https://acerinoxgroup.integrityline.com/

Email

canaldedenuncias@acerinox.com
whistleblowing@acerinox.com

Post

Calle de Santiago de Compostela, 100, 28035, Madrid (Spain), addressing the report to the attention of the Ethics Committee.

In-person meeting

Held within a maximum of seven days from the date of the request.

Telephone:

Spain: **+34 910477636 pin 4591**
United States: **+1 2132791015 pin 4591**
South Africa: **+27 105 901 101 pin 4591**
Germany: **+49 309 925 7146 pin 4591**

Beyond the official channels referred to above, the Acerinox Group fosters a culture in which any employee can freely raise their doubts and concerns with their direct superior, contact the Human Resources department or approach the Compliance department directly.

Irregularities that may be reported include, among others, cases of harassment, discrimination, unfair treatment, conduct contrary to diversity and inclusion, inappropriate behavior, practices in breach of free competition rules, fraud, undeclared conflicts of interest, corruption or bribery such as irregular payments, data protection breaches and disclosure of confidential information, inappropriate use of Group assets, environmental damage, and health and safety-related matters.

Dissemination of the whistleblowing channel

The Acerinox Group fosters a culture of integrity by encouraging employees and associates to report, through the channels provided, any suspected ethical violations or conduct contrary to its internal policies. To build awareness of and confidence in the whistleblowing channel, awareness-raising and communication activities are carried out. Specifically, a series of informational videos has been launched that clearly and concisely explain the main features of the channel and the reporting process (who should report, how and what to report).

Management of reports

In charge of the Acerinox Group's Whistleblowing Channel is the Ethics Committee, a collegiate body that delegates to the Compliance Director the power to manage the whistleblowing channel, and process investigation case files, as well as to serve as a representative before the relevant authorities in whistleblower protection matters.

Management of the whistleblowing channel is outsourced to ensure maximum independence. The internal protocol for managing this 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 Ethics 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.

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.

During 2025, 57 reports were received, a figure very similar to the 56 recorded the previous year. Following analysis, it was determined that 7 of these did not fall within the scope of the whistleblowing channel. Of the remaining 50 cases, 64% were found to involve breaches of internal regulations or applicable laws. The majority of breaches, 71%, related to human resources matters, predominantly cases of inappropriate behavior, unfair treatment and discrimination. For all complaints where violations were found, corrective and/or disciplinary actions were taken to ensure compliance with regulations and prevent future incidents.

Of the 56 complaints received in 2024, 68% were found to involve breaches of internal regulations or applicable laws.

Geographical location	2025	2024
Spain	19	27
Other geographies	38	29
Total	**57**	**56**

Type of cases	2025	2024
Corruption or bribery[1].	0	2
Inappropriate conduct[2].	27	14
Safety and health	4	9
Fraud	3	4
Other breaches[3].	16	9

[1] No cases of corruption or bribery were detected in 2025. However, two reports were filed in South Africa classified as fraud and malpractice related to the misuse of assets or theft. While one case was dismissed, the other resulted in the dismissal of the person responsible following substantiation of the case. In both cases, corrective measures were implemented in order to prevent future incidents.

[2] Cases included in the "Inappropriate conduct" category encompass instances of disrespect, microaggressions and unfair treatment.

[3] Cases included in the "Other breaches" category cover matters relating to industrial and intellectual property, private, personal and confidential information, working conditions, conflicts of interest, international sanctions, record-keeping, communication matters, trade secrets, and diversity and inclusion.

Corrective actions taken	2025	2024
Layoffs	3	10
Written or verbal warning	5	2
Reported to police or authorities	3	2
Process and procedure improvements	3	2
Communication enhancement	6	3
Training, mentoring and coaching	12	1

Due diligence

To mitigate risks, Acerinox applies rigorous due diligence procedures to its associates and partners, consolidating this practice as a fundamental pillar of its compliance management system.

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. During 2025, customer verification and risk assessment were automated, optimizing the speed and accuracy of the process.

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.

Also during 2025, the Corporate Conflict of Interest Procedure was amended and updated, setting out the guidelines applicable within the Acerinox Group for preventing and managing conflict of interest situations. This procedure requires all employees who, by virtue of their responsibility and authority participate in decision-making or functionally belong to departments with a higher degree of exposure to periodically complete a conflict of interest declaration.

The company has also planned online training and the launching of an awareness campaign specifically focused on this issue.

Respect for free 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.

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 has implemented significant enhancements to its data protection model to strengthen its commitment to excellence in privacy.

- Advancing to an enhanced privacy management system enables more efficient and proactive oversight of data processing.
- Comprehensive review and updating of data protection policies and records of processing activities (ROPAs) to obtain an accurate picture of the Group's privacy posture and ensure the proper treatment of information assets.
- Integration of risk analysis methodologies to assess and mitigate risks, ensuring a preventive approach aligned with international best practices.
- Expansion and updating of data protection training and awareness programs for employees and associates, designed to build a robust privacy culture and raise awareness across the organization.
- Optimizing internal data management processes to ensure a preventive approach aligned with international best practices.

Training, awareness, and communication

In 2025, 6,138 people were trained in various fields (4,459 in fiscal year 2024). The following training activities were carried out as part of the 2025 training plan:

- Training on the prevention of corruption and bribery for 188 individuals.
- Training on anti-competitive practices for 98 employees whose roles entail greater exposure to these risks.
- Training on fraud, scams and punishable insolvency for 48 employees.
- Money laundering training for 38 employees.
- Training on harassment prevention for 1,229 employees.

- Online training on information security. Specifically, prevention of cybercrime and intellectual property offenses, for 857 employees.
- Training on conflicts of interest for 89 individuals.
- Training on the Code of Conduct for 924 employees.

In addition, compliance training was provided in the area of safety and health for 551 employees, in policies and procedures for 1,191 individuals, and in compliance for 385 business partners,

Risk analyses and in-person training were delivered to 318 employees across 13 countries. Seventy-four members of executive staff were also trained in the prevention of anti-competitive practices and the criminal liability of officers.

Compliance training was also offered to 148 new employees who joined the Group in 2025. 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 2026, 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.

The Group has also carried out awareness-raising campaigns on matters relating to ethics and compliance. An internal compliance newsletter has been created and regular meetings and gatherings have been held.

In 2025, an information campaign was conducted targeting all Acerinox professionals on the functioning of the whistleblowing channel. The main goal was to present this channel as an essential space for promoting and safeguarding the ethical principles that govern the Group's conduct. A series of infographics has also been installed at the Group's offices and plants, visually representing the principles and foundations of Acerinox's corporate culture.

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 Group's Code of Conduct expressly prohibits participation in any political activity and membership of any political party, federation, movement or cause, as well as donations or contributions to any of the foregoing. Facilitation payments or equivalent instruments are likewise prohibited.

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.

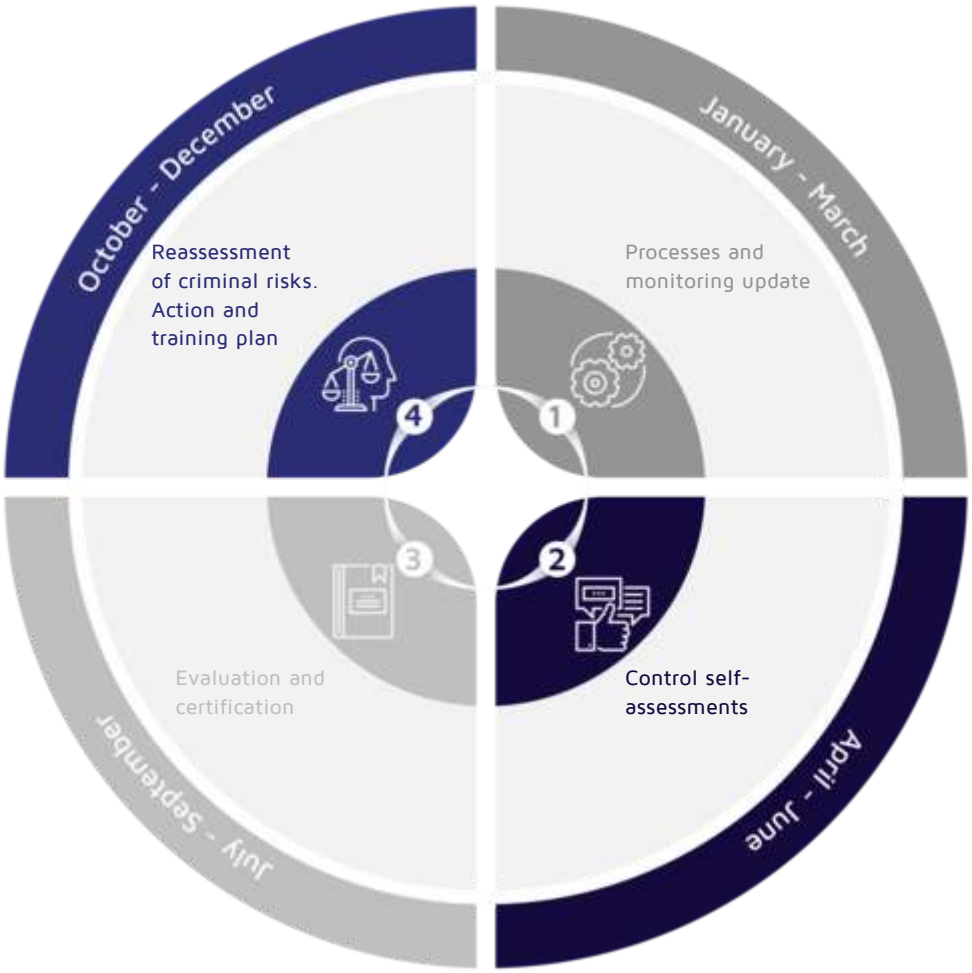
The Program's monitoring, measurement, analysis, and evaluation are conducted in line with the annual Crime Prevention Cycle, which includes the following phases:

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 2025, the risks associated with harassment, discovery and disclosure of secrets, cybercrime, conflicts of interest and due diligence were reviewed and reassessed.

In 2024, 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. In 2025, Acerinox S.A. obtained ISO 37001 certification, with the intention of extending its scope to other geographies in the coming years.

Parameters and goals

Anti-corruption and bribery

G1-4

In 2025, no cases of corruption or bribery were found, nor did we experience any monetary losses arising from any corruption-related legal proceedings. However, two reports were filed in South Africa classified as fraud and malpractice related to the misuse of assets or theft. One case was dismissed; in the other, which was substantiated, the person responsible was dismissed. In both cases, corrective measures were implemented to prevent future incidents.

8. Annexes

8.1 Scope of the report | 8.2 NFIS supplementary information

8.3 Information regarding the European taxonomy

8.4 Calculation of Greenhouse Gas Inventory

8.5 List of material IROs | 8.6 ESRS table of contents

8.7 NFIS table of contents | 8.8 External assurance report

8. Annexes

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 25, 2026. The non-financial information statement has been favorably evaluated by the Sustainability Committee of the Board of Directors.**

This 2025 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 Act 11/2018.
- The recommendations in the Spanish Securities Market Commission's Guide for the Preparation of Management Reports of Listed Companies.

Also including:

a) **Directive 2022/2464** on corporate sustainability reporting (CSRD).

b) **Directive 2014/95/EU** as regards disclosure of non-financial and diversity information, as well as related Spanish legislation (Act 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.

d) **Royal Decree 214/2025**, of March 18, on carbon footprint reporting and reduction plans.

Scope of information in this report

Timescale:

2025. 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 Annexes attached to this report. **(Annex 8.8).**

8.2 NFIS supplementary information

This report has been prepared in accordance with Directive 2014/95/EU and Act 11/2018 on non-financial information and diversity. The scope of the report consolidates the information of all the entities that make up the Acerinox Group, ensuring a faithful and complete view of their performance.

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.

The Environmental Authorizations and Operating Licenses of the facilities establish specific control measures to analyze light and noise pollution in the surroundings.

Other emissions (metric tons)

	2025			2024		
Metric tons	Total	Stainless	HPAs	Total	Stainless	HPAs
NOx	726.35	614.38	111.97	1,063.99	1,019.58	44.41
VOCs	18.17	14.17	4.00	11.33	11.33	0.00
Particulate matter	157.02	138.02	19.00	209.13	209.13	0.00
SOx*	5.33	3.33	2.00	6.72	4.09	2.63

- The difference between the emissions reported in 2024 and 2025 is due to an error in the external monitoring carried out in 2024, in which the dimensions of the filtration system duct were incorrectly recorded. This overestimation of the area resulted in a higher flow volume calculation and, consequently, a higher annual pollutant load. In 2025, the values were recalculated using the correct dimensions.

Employment

The staff figures in this report does not include 6 members of senior management.

Number of employees by age range and gender

		2025	2024
<30	Men	889	897
	Women	175	202
	Total	**1,064**	**1,099**
30-50	Men	4,095	4,281
	Women	751	742
	Total	**4,846**	**5,023**
>50	Men	2,817	2,767
	Women	412	404
	Total	**3,229**	**3,171**
Total		**9,139**	**9,293**

Average number of employees by age range and gender

		2025	2024
<30	Men	894	763
	Women	176	172
	Total	**1,070**	**934**
30-50	Men	4,117	3,640
	Women	755	631
	Total	**4,872**	**4,271**
>50	Men	2,832	2,353
	Women	414	344
	Total	**3,247**	**2,696**
Total		**9,189**	**7,902**

Number of employees by professional category and gender

		2025	2024
Director	Men	24	28
	Women	6	5
	Total	**30**	**33**
Manager	Men	323	320
	Women	82	82
	Total	**405**	**402**
Analyst	Men	708	721
	Women	230	240
	Total	**938**	**961**
Specialist	Men	381	387
	Women	214	216
	Total	**595**	**603**
Administrative staff	Men	618	605
	Women	467	473
	Total	**1,085**	**1,078**
Operator	Men	5,751	5,885
	Women	335	331
	Total	**6,086**	**6,216**
Total		**9,139**	**9,293**

Average number of employees by professional category and gender

		2025	2024
Director	Men	24	22
	Women	6	5
	Total	**30**	**27**
Manager	Men	325	225
	Women	82	48
	Total	**407**	**273**
Analyst	Men	712	590
	Women	231	193
	Total	**943**	**783**
Specialist	Men	383	259
	Women	215	109
	Total	**598**	**368**
Administrative staff	Men	621	594
	Women	470	429
	Total	**1,091**	**1,023**
Operator	Men	5,782	5,187
	Women	337	241
	Total	**6,119**	**5,428**
Total		**9,189**	**7,902**

Number of employees by type of contract and gender

		2025	2024
Permanent contract	Men	7,640	7,781
	Women	1,313	1,307
	Total	**8,953**	**9,088**
Temporary contract	Men	161	164
	Women	25	41
	Total	**186**	**205**
Total		**9,139**	**9,293**

Average number of employees by type of contract and gender

		2025	2024
Permanent contract	Men	7,681	6,616
	Women	1,320	1,111
	Total	**9,002**	**7,728**
Temporary contract	Men	162	139
	Women	25	35
	Total	**187**	**174**
Total		**9,189**	**7,902**

Number of employees by type of contract and age range

		2025	2024
Permanent contract	<30	984	1,017
	30-50	4,764	4,919
	>50	3,205	3,152
	Total	**8,953**	**9,088**
Temporary contract	<30	79	81
	30-50	82	100
	>50	25	24
	Total	**186**	**205**
Total		**9,139**	**9,293**

Average number of employees by type of contract and age range

		2025	2024
Permanent contract	<30	989	865
	30-50	4,790	4,183
	>50	3,222	2,680
	Total	**9,002**	**7,728**
Temporary contract	<30	79	69
	30-50	82	85
	>50	25	20
	Total	**187**	**174**
Total		**9,189**	**7,902**

Number of employees by type of contract and professional category

		2025	2024
Permanent contract	Director	30	34
	Manager	395	396
	Analyst	937	956
	Specialist	578	589
	Administrative staff	1,055	1,035
	Operator	5,958	6,078
	Total	**8,953**	**9,088**
Temporary contract	Director		
	Manager	10	9
	Analyst	2	2
	Specialist	15	13
	Administrative staff	36	43
	Operator	123	138
	Total	**186**	**205**
Total		**9,139**	**9,293**

Average number of employees by type of contract and professional category

		2025	2024
Permanent contract	Director	30	29
	Manager	397	337
	Analyst	942	813
	Specialist	581	501
	Administrative staff	1,061	880
	Operator	5,990	5,168
	Total	**9,002**	**7,728**
Temporary contract	Director		
	Manager	10	8
	Analyst	2	2
	Specialist	15	11
	Administrative staff	36	37
	Operator	124	117
	Total	**187**	**174**
Total		**9,189**	**7,902**

Number of employees by type of workday and gender

		2025	2024
Full time	Men	7,775	7,926
	Women	1,270	1,274
	Total	**9,045**	**9,200**
Part-time	Men	26	19
	Women	68	74
	Total	**94**	**93**
Total		**9,139**	**9,293**

Average number of employees by type of workday and gender

		2025	2024
Full time	Men	7,817	6,740
	Women	1,277	1,083
	Total	**9,094**	**7,823**
Part-time	Men	26	16
	Women	68	63
	Total	**95**	**79**
Total		**9,189**	**7,902**

Number of employees by type of workday and age range

		2025	2024
Full time	<30	1,051	1,093
	30-50	4,469	4,957
	>50	3,525	3,150
	Total	**9,045**	**9,200**
Part-time	<30	11	7
	30-50	50	63
	>50	33	23
	Total	**94**	**93**
Total		**9,139**	**9,293**

Average number of employees by type of workday and age range

		2025	2024
Full time	<30	1,057	929
	30-50	4,493	4,215
	>50	3,544	2,678
	Total	**9,094**	**7,823**
Part-time	<30	11	6
	30-50	50	54
	>50	33	20
	Total	**95**	**79**
Total		**9,189**	**7,902**

Number of employees by type of workday and professional category

		2025	2024
Full time	Director	30	34
	Manager	404	400
	Analyst	933	955
	Specialist	574	590
	Administrative staff	1,042	1,026
	Operator	6,062	6,195
	Total	**9,045**	**9,200**
Part-time	Director		
	Manager	2	4
	Analyst	5	4
	Specialist	19	11
	Administrative staff	45	52
	Operator	23	22
	Total	**94**	**93**
Total		**9,139**	**9,293**

Average number of employees by type of workday and professional category

		2025	2024
Full time	Director	30	29
	Manager	406	340
	Analyst	938	812
	Specialist	577	502
	Administrative staff	1,048	872
	Operator	6,095	5,268
	Total	**9,094**	**7,823**
Part-time	Director		
	Manager	2	3
	Analyst	5	3
	Specialist	19	9
	Administrative staff	45	44
	Operator	23	19
	Total	**95**	**79**
Total		**9,189**	**7,902**

New hires by age group and gender

		2025	2024
<30	Men	345	454
	Women	79	143
	Total	**424**	**597**
30-50	Men	312	604
	Women	63	84
	Total	**375**	**688**
>50	Men	72	73
	Women	30	12
	Total	**102**	**85**
Total		**901**	**1,370**

Hiring rate

		2025	2024
<30	Men	38.85%	58.76%
	Women	45.40%	82.62%
	Total	**39.92%**	**63.13%**
30-50	Men	7.65%	15.56%
	Women	8.54%	13.43%
	Total	**7.79%**	**15.27%**
>50	Men	2.58%	3.07%
	Women	7.50%	3.87%
	Total	**3.19%**	**3.16%**
Total		**9.93%**	**16.86%**

Voluntary resignations

		2025	2024
<30	Men	93	82
	Women	29	16
	Total	**122**	**97**
30-50	Men	150	121
	Women	33	29
	Total	**183**	**149**
>50	Men	196	53
	Women	24	13
	Total	**220**	**66**
Total		**525**	**312**

Number of layoffs by age range and gender

		2025	2024
<30	Men	62	31
	Women	10	6
	Total	**72**	**38**
30-50	Men	110	60
	Women	14	10
	Total	**124**	**70**
>50	Men	135	16
	Women	9	2
	Total	**144**	**18**
Total		**340**	**126**

Staff turnover rate

		2025	2024
<30	Men	17.45%	16.07%
	Women	22.41%	16.58%
	Total	**18.27%**	**16.16%**
30-50	Men	6.38%	5.84%
	Women	6.37%	6.85%
	Total	**6.38%**	**5.99%**
>50	Men	11.85%	4.44%
	Women	8.25%	6.89%
	Total	**11.40%**	**4.75%**
Total		**9.54%**	**6.77%**

Number of layoffs by professional category and gender

		2025	2024
Director	Men		1
	Women		
	Total	**0**	**1**
Manager	Men	5	2
	Women		1
	Total	**5**	**3**
Analyst	Men	10	2
	Women	7	
	Total	**17**	**2**
Specialist	Men	12	5
	Women	6	3
	Total	**18**	**9**
Administrative staff	Men	33	6
	Women	6	6
	Total	**39**	**12**
Operator	Men	247	91
	Women	14	8
	Total	**261**	**99**
Total		**340**	**126**

Return to work rate

		2025	2024
Return to work rate	Men	98.61%	98.50%
	Women	74.51%	77.50%
	Total	**94.01%**	**95.00%**

Remuneration

Average remuneration and trends therein, broken down by gender, age and professional category or similar:

Average remuneration by gender (€)

	2025	2024
Men	€69,809	€67,639
Women	€62,789	€61,597

Average remuneration by age range (€)

	2025	2024
<30	€59,991	€54,583
30-50	€64,519	€57,748
>50	€76,653	€78,219

Average remuneration by professional category (€)

	2025	2024
Director	€347,021	€297,944
Manager	€139,883	€171,046
Analyst	€88,061	€88,640
Specialist	€67,101	€66,479
Administrative staff	€57,386	€59,042
Operator	€62,071	€56,537

To facilitate comparability, compensation does not include extraordinary elements associated with the Haynes purchase-sale transaction.

Pay gap

	2025	2024
Pay gap	8.20%	7.65%

The average remuneration of the Board Members in 2025 was €174.6 thousand (€272.5 thousand if the Chief Executive Officer is included); that of the female Board Members was €163.5 thousand. The average remuneration of the Board Members in 2024 was €176 thousand (€355.64 thousand if the Chief Executive Officer is included); that of the female Board Members was €171 thousand.

The average remuneration of the Management Committee in 2025, excluding the CEO, was €373 thousand for men and €278 thousand for women. The average remuneration of the Management Committee in 2024, excluding the CEO, was €573 thousand for men and €231 thousand for women.

Complaints reported on human rights violations

The company has not received any reports of human rights violations.

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 them.

As outlined in its Code of Conduct, the Acerinox Group does not make donations to political parties. In 2025, contributions to the various associations with which it collaborates totaled just over €1 million (approximately €1 million in 2024).

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 borne and taxes received to each fiscal year on a cash basis.

- **Taxes borne** 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 VAT.

	2025		2024	
Taxes borne	**Amount (€ thousands)**	**%**	**Amount (€ thousands)**	**%**
Corporate income tax	160,550	59%	131,181	71%
Social security	75,008	27%	62,843	20%
Other indirect taxes (*)	24,915	9%	20,694	5%
Local taxes	12,772	5%	10,435	3%
Total taxes borne	**273,246**	**52%**	**225,153**	**51%**

(*) Other indirect taxes include the taxes on electricity, imports, etc.

With regard to corporate income tax paid, the increase compared to the prior fiscal year—despite the decrease in accounting profit—is primarily attributable to payments made in Germany relating to prior fiscal years, in which profitability was higher than in the current year.

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.

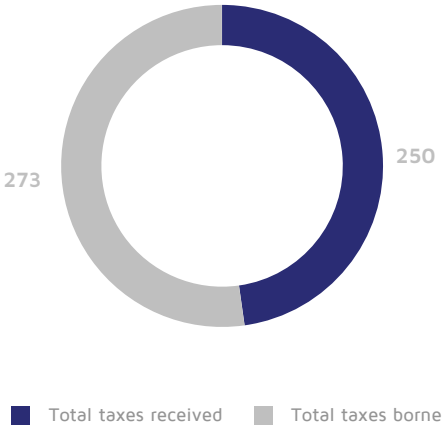
	2025		2024	
Taxes received	**Amount (€ thousands)**	**%**	**Amount (€ thousands)**	**%**
Employee personal income tax and social security	149,163	60%	153,883	56%
VAT (*)	78,831	32%	101,155	37%
Withholdings	21,995	9%	21,089	8%
Total taxes received	**249,989**	**48%**	**276,126**	**55%**

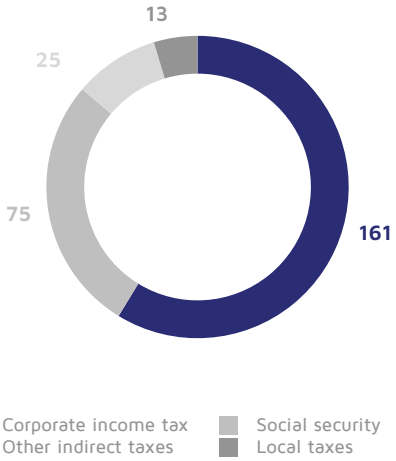
(*) The VAT shown is the net amount of taxes received and paid.

2025

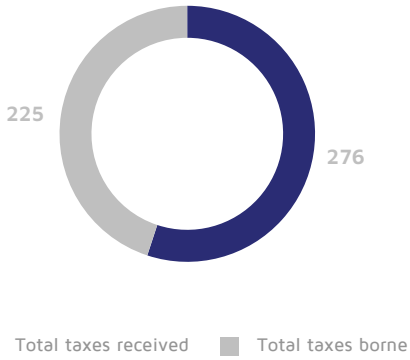
€523
million
Total tax contribution

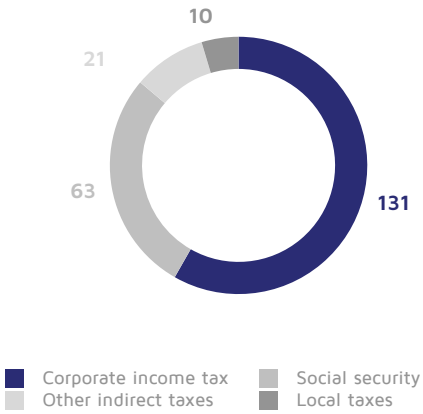
€273
million
Taxes borne





2024





The amount of taxes borne represents 52% of the Group's total tax contribution, as shown in the chart above.

The Group's consolidated earnings before tax in 2025 amounted to €90 million (result from ordinary activities in the Consolidated Income Statement of the 2025 Consolidated Financial Statements), with total taxes borne and collected amounting to €523 million. This means that global tax contribution is five times higher than consolidated earnings before tax.

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 evidence of the Group's commitment to meeting its tax obligations in each territory in which it operates, a breakdown is provided below of the profits obtained by country and the taxes paid in respect of corporate income tax, together with the ETR (Effective Tax Rate).

Pretax results and taxes paid by country (€ thousand)

	2025			2024		
Country	Pretax income by country	Payment of taxes	Tax expense for the fiscal year	Pretax income by country	Payment of taxes	Tax expense for the fiscal year
Spain	-280,884	-1,545	-58,032	-345,050	1,327	3,065
USA	458,196	104,818	-109,062	487,242	123,626	-118,815
South Africa	-79,656	14	21,183	-57,177	-701	14,320
Malaysia	-11,923	0	0	-8,999	10	26
Canada	4,614	1,377	-1,177	7,256	1,880	-1,862
Mexico	-4,181	2,354	2,192	10,197	-69	-2,432
Portugal	48	200	0	585	-108	-144
France	898	733	-290	2,184	376	-512
Germany	-9,496	46,335	-883	47,367	-2,307	-18,352
Italy	3,635	1,172	-1,395	4,248	4,089	-954
UK	11,667	2,250	-2,980	3,471	616	-907
Sweden	-201	0	38	1,124	0	-237
Switzerland	720	186	-103	222	0	-36
Austria	2,179	375	-500	1,709	568	-388
Poland	759	369	-169	748	-149	-169
Chile	-318	4	-79	-465	-98	-16
Argentina	-1,237	40	324	34	164	-192
Belgium	91	68	-25	55	17	-16
Netherlands	356	149	-78	500	231	-116
Russia	0	0	0	1	1	-1
Turkey	232	65	-61	510	158	-131
Brazil	-16	3	0	7	11	-2
Colombia	-208	1	0	-232	0	0
Peru	-132	0	0	-163	0	0
Australia	297	154	-110	205	69	-96
China	1,818	532	-521	1,415	527	-409
Hong Kong	-45	-8	-21	-4	0	0
Japan	1,824	695	-611	2,048	748	-732
Korea	1,416	0	-291	340	154	-83
Singapore	-302	3	-87	-204	0	0
India	-97	-1	-38	-40	41	0
United Arab Emirates	-135	0	26	-163	0	0
Luxembourg	-16	206	4	428	0	-112
	99,903	**160,550**	**-152,745**	**159,399**	**131,180**	**-129,302**

In accordance with the provisions of Act 28/2022 on corporate income tax reporting, the financial figures broken down by jurisdiction have been obtained from the individual financial statements of the Group's entities.

The amounts set out in the table above correspond to data recorded under IFRS in most jurisdictions, with the exception of Mexico and Luxembourg, where local accounting standards (Local GAAP) have been used for consistency with the statutory and tax records of those jurisdictions.

Following the legal requirements of the report, "Earnings before tax" reflects the profit or loss from operating activities in each territory, with dividends received from related entities excluded to avoid double counting of income. The results have also been adjusted for impairment of intragroup investments.

To ensure comparability, the prior fiscal year data presented in this report have been restated under the same methodological criteria. Accordingly, these figures may differ from those published in the Annual Report for the prior fiscal year, which provided information based strictly on aggregated IFRS data, without deducting dividends or impairment of investments.

The amounts listed as "Payment of taxes" in the table 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.

With regard to the "Tax expense for the fiscal year" information, the amounts included in the table comprise both current tax and deferred tax recorded during the fiscal year.

The Group presents detailed information on tax litigation and open inspections in its Consolidated Annual Financial Statements (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 paid:

- Spain: In fiscal year 2025, following the declaration of unconstitutionality of Royal Decree-Act 3/2016, a refund of undue payments in the amount of €2,012 thousand was obtained. This amount corresponds to the regularization of corporate income tax for fiscal year 2021 and has a positive impact on the cash position for the period. With regard to tax expense for the fiscal year, the derecognition of tax credits has led to an increase in tax expense.

- Germany: Significant cash outflows were recorded in the current fiscal year in respect of corporate income tax. These payments comprise the final settlement for fiscal year 2023, as well as installment payments and payments on account for fiscal years 2024 and 2025. The high amount of the latter reflects the solid earnings base generated by the entity in those periods.

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.

	2025	2024
Investment in social actions	€908,972	€945,233

It should be noted that the Acerinox Group's Code of Conduct establishes that the Group's sponsorship and patronage activities, as well as the management of its company reputation, must be aligned with its values in terms of integrity and sustainability and be framed within its strategy of sustainable development and social responsibility, seeking to generate a positive impact on the communities in which the Group operates.

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 financial statements 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 financial statements. For the preparation of the notes to the Group's financial statements, 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 financial statements. 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 property, plant and equipment and intangible assets (see Notes 8 and 9). It is reported in the Group's Consolidated Financial Statements and disclosed in the Investments section of Note 9, Property, plant, and equipment, of those Financial Statements. Additionally, additions of rights of use are included as CAPEX (Note 11). No additional CAPEX plans are 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: For the calculation of total OPEX, only the following items from the operating expenses in the Consolidated Financial Statements are considered: 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 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. OPEX linked to CAPEX plans 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.

Proportion of revenue, CAPEX and OPEX from products or services associated with economic activities eligible under the taxonomy or aligned with the taxonomy. Disclosure for 2025 year (Summary of KPIs)

KPIs	Total	Proporción de actividades elegibles según la taxonomía	Actividades que se ajustan a la taxonomía	Proporción de actividades que se ajustan a la taxonomía	Breakdown of taxonomy-aligned activities by environmental targets						Proportion of facilitating activities	Proportion of transition activities	Actividades no evaluadas consideradas carentes de importancia relativa significativa	Taxonomy-aligned activities in the previous fiscal year (2024)	Proportion of taxonomy-aligned activities in the previous fiscal year (2024)
					Mitigación del cambio climático	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity					
Text	Currency	%	Moneda	%	%	%	%	%	%	%	%	%	%	Currency	%
Revenue	5,780,513	70.7%	3,918,891	67.8 %	67.8 %	— %	— %	— %	— %	— %	— %	67.8 %	— %	3,811,616	70.4%
CAPEX	**326,115**	**67.6%**	**215,773**	**66.2%**	**66.2%**	**—%**	**—%**	**—%**	**—%**	**—%**	**—%**	**66.2%**	**—%**	**164,513**	**76.7%**
OPEX	**124,096**	**58.0%**	**64,931**	**52.3%**	**52.3%**	**—%**	**—%**	**—%**	**—%**	**—%**	**—%**	**52.3%**	**—%**	**57,236**	**59.4%**

Proportion of revenue, CAPEX and OPEX from products or services associated with economic activities eligible under the taxonomy or aligned with the taxonomy. Disclosure for the year (N) (Breakdown by activities)

Revenue

Economic activities	Code	ICR elegible según la taxonomía (proporción del volumen de negocios elegible según la taxonomía)	ICR que se ajusta a la taxonomía (valor monetario del volumen de negocios)	ICR que se ajusta a la taxonomía (proporción del volumen de negocios que se ajusta a la taxonomía)	Environmental objective of taxonomy-aligned activities						Facilitating activity	Transitional activity	Proporción del ICR elegible según la taxonomía que se ajusta a la taxonomía
					Mitigación del cambio climático	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity			
Text		**%**	**Currency**	**%**	**%**	**%**	**%**	**%**	**%**	**%**	**where applicable**	**where applicable**	**%**
Iron and steel production	CCM 3.9	70.7%	3,918,891	67.8%	67.8%	—%	—%	—%	—%	—%		T	95.9%
Sum of alignment by objective					67.8%	—%	—%	—%	—%	—%			
Total revenue		**70.7%**	**3,918,891**	**67.8%**	**67.8%**	**—%**	**—%**	**—%**	**—%**	**—%**		**67.8%**	**95.9%**

CAPEX

Economic activities	Code	ICR elegible según la taxonomía (proporción de las CapEx elegible según la taxonomía)	ICR que se ajusta a la taxonomía (valor monetario de las CapEx)	ICR que se ajusta a la taxonomía (proporción de las CapEx que se ajusta a la taxonomía)	Environmental objective of taxonomy-aligned activities						Facilitating activity	Transitional activity	Proporción del ICR elegible según la taxonomía que se ajusta a la taxonomía
					Mitigación del cambio climático	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity			
Text		**%**	**Currency**	**%**	**%**	**%**	**%**	**%**	**%**	**%**	**("E", where applicable)**	**("T", where applicable)**	**%**
Iron and steel production	CCM 3.9	67.6%	215,773	66.2%	66.2%	—%	—%	—%	—%	—%		T	97.9%
Sum of alignment by objective					66.2%	—%	—%	—%	—%	—%			
CAPEX		**67.6%**	**215,773**	**66.2%**	**66.2%**	**—%**	**—%**	**—%**	**—%**	**—%**		**66.2%**	**97.9%**

OPEX

Economic activities	Code	ICR elegible según la taxonomía (proporción de las OpEx elegible según la taxonomía)	ICR que se ajusta a la taxonomía (valor monetario de los OpEx)	ICR que se ajusta a la taxonomía (proporción de los OpEx que se ajusta a la taxonomía)	Environmental objective of taxonomy-aligned activities						Facilitating activity	Transitional activity	Proporción del ICR elegible según la taxonomía que se ajusta a la taxonomía
					Mitigación del cambio climático	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity			
Text		**%**	**Currency**	**%**	**%**	**%**	**%**	**%**	**%**	**%**	**("E", where applicable)**	**("T", where applicable)**	**%**
Iron and steel production	CCM 3.9	58.0%	64,931	52.3%	52.3%	—%	—%	—%	—%	—%		T	**90.2%**
Sum of alignment by objective					52.3%	—%	—%	—%	—%	—%			
OPEX		**58.0%**	**64,931**	**52.3%**	**52.3%**	**—%**	**—%**	**—%**	**—%**	**—%**		**52.3%**	**90.2%**

8.4 Calculation of the 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.

In accordance with 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.

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 2025, 1,311,440 MWh of electricity were used through instruments such as guarantees of origin, renewable energy certificates, and 3,376 MWh from self-generated renewable energy using solar panels.

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 2025 GHG emissions inventory used the Global Warming Potential (GWP-100) of GHG 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 31.
- Spain, GHG Inventories Report 1990-2022 (2025 Edition). Annex 7. CO_2 emission factors and LCV of fuels.
- Calculator of the Catalan Office for Climate Change. 2025 Version.
- DEFRA: Department for Environment, Food & Rural Affairs. (United Kingdom). Greenhouse gas reporting: conversion factors 2024.
- 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. October 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. 3.11 Version.
- Life Cycle Assessment: WorldSteel. (International). 2020.

- EPA: United States Environmental Protection Agency. GHG (US). January 2025
- 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, VDM, and Haynes), and billets (Roldan) use a "market for" emissions factor that includes emissions resulting from the transportation of these raw materials. 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. All waste generated by the factories for disposal or treatment is included. For waste sent for disposal, emissions from transport and subsequent management are accounted for, while for waste sent for reuse or recycling, only emissions from transport of the waste to the treatment plant are accounted for.
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 is lower than 1% 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
3.10. 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 2025, the company had more than 13,000 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 2025, the company had more than 13,000 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 less than 3% of the subsidiary's Land and Buildings account and less than 0.1% 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 the 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

ESRS	Acerinox topic	CSRD topic	CSRD subtopic	CSRD sub-subtopic	Description	Scope	Impact	Time
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
S2	Supply chain	Workers in the value chain	Equal treatment and opportunities for all Other labor rights	All 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 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		Rising energy costs due to high energy consumption from fossil fuels and socioeconomic context	Own operations	Risk
E1	Energy	Climate change	Energy		Improved competitiveness through reduced carbon footprint due to increased use of renewable electricity	Own operations	Opportunity
E1	Energy	Climate change	Energy		Reduced costs and carbon footprint due to implementation of energy efficiency measures	Own operations	Opportunity
E1	Climate change	Climate change	Climate change mitigation		Access to public subsidies for implementing initiatives that advance the climate transition	Own operations	Opportunity
E1	Climate change	Climate change	Climate change mitigation		Growth in demand for steel in energy transition-related applications, and low-carbon products	Own operations	Opportunity
E1	Climate change	Climate change	Climate change mitigation		Improved profitability of European companies as a result of carbon taxes on stainless steel imports into Europe (CBAM)	Own operations	Opportunity
E1	Climate change	Climate change	Climate change mitigation		Changes in market trends and customer behavior, with increasing pressure on Acerinox to help customers meet their decarbonization targets	Own operations	Risk
E1	Energy	Climate change	Climate change mitigation		Increase in carbon costs (reduction of free ETS allowances, increase in carbon price, CBAM, etc.).	Own operations	Risk
E1	Energy	Climate change	Climate change mitigation		Increase in costs (CAPEX and OPEX) to meet emission reduction targets, adoption of new available technologies, etc.	Own operations	Risk
E1	Energy	Climate change	Climate change mitigation		Possible restrictions on access to financing (public or private) due to non-compliance and decarbonization targets	Own operations	Risk
E1	Energy	Climate change	Climate change adaptation		Increased operating costs due to extreme weather events (floods, storms, fires, etc.)	Own operations	Risk

ESRS	Acerinox topic	CSRD topic	CSRD subtopic	CSRD sub-subtopic	Description	Scope	Risk / opportunity
E3	Water management	Water and marine resources	Water	Water consumption	Production stoppages due to water consumption restrictions 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 its 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		Rising costs due to changes in the supply and demand of raw materials critical to the business, affecting their price.	Own operations	Risk
E5	Circular economy	Circular economy	Resource input, including resource use		Reduction of costs and environmental impact through the maximization of circularity, by optimizing processes and the use of recovered material	Own operations	Opportunity
S1	Employees	Own workforce	Working conditions Other labor rights	All 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
S1	Employees	Own workforce	Equal treatment and opportunities for all Training and skill building	All 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

ESRS	Acerinox topic	CSRD topic	CSRD subtopic	CSRD sub-subtopic	Description	Scope	Risk / 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
S4	Customers and end-users	Consumers and end-users	Incidents related to consumer or end-user information	Access to (quality) information	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 in ESRS covered by this report.

Having performed the double 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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BP-2	Disclosures in relation to specific circumstances	74
GOV-1	The role of the administrative, management and supervisory bodies	84
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	78, 84
GOV-3	Integration of sustainability-related performance in incentive schemes	88
GOV-4	Statement on sustainability due diligence	88
GOV-5	Risk management and internal controls over sustainability reporting	88
SBM-1	Strategy, business model and value chain	74
SBM-2	Interests and views of stakeholders	75
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	75, 78
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	78, 84
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ESRS	Description	Page
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E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	136

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ESRS	Description	Page
ESRS S1	**Own workforce**	
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S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	140,141
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SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	159
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ESRS	Description	Page
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S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end- users, and effectiveness of those actions	169
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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	Reference to the Regulation on benchmarks	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

Disclosure requirement and related data	Reference to the Regulation on benchmarks	Reference to European Climate Legislation	Report Section
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Delegated Regulation (EU) 2020/1816, Annex II		SBM-1: Strategy, business model and value chain
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Delegated Regulation (EU) 2020/1818(7), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II**		SBM-1: Strategy, business model and value chain
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
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		E1-1: Transition plan for climate change mitigation
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
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Delegated Regulation (EU) 2020/1818, Article 8(1)		E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions
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 Annex 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 Annex 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 Organization 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

Disclosure requirement and related data	Reference to the Regulation on benchmarks	Reference to European Climate Legislation	Report Section
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 Organization 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 July 17, 2020 supplementing 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

8.7 NFIS table of contents

Information required by the Non-financial Information Law	Associated reporting criteria (ESRS / GRI Standard)	Page / Reference
Finance model		
Taxonomy	Regulation (EU) 2020/852	92-98, 203-208
Business model		
Brief description of the Group's business model (business environment and organization)	ESRS 2 SBM-1	74-75
Geographical presence	ESRS 2 SBM-1	74-75
Organization's objectives and strategies	ESRS 2 SBM-1	74-75
Key factors and trends that could affect future performance	ESRS 2 SBM-1	74-75
Environmental topics		
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 2 SBM-3 ESRS E1-2 ESRS E3-1 ESRS E5-1 ESRS S1-1 ESRS S2-1 ESRS S4-1 ESRS G1-1	75-81, 102-103 110-111 122-123 130-131 138-139 160-161 168-169 172-173
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	113-115 126-129 132-135 141-145 162-165 169-170
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	84-88 74-81 103-110 121-122 130
Actual and foreseeable effects of the Company's activities on the environment and, as the case may be, health and safety	ESRS E1-4 ESRS E3-4 ESRS E5-4	113-115 126-129 132-133

Environmental assessment or certification procedures	ESRS E1-1 ESRS E1-2 ESRS E3-2 ESRS E5-2	99-101 110-111 123-125 131
Resources allocated to preventing environmental risks	ESRS GOV-1 ESRS E1-2 ESRS E3-2 ESRS E5-2	84-88 110-111 123-125 131
Application of the precautionary principle	ESRS E1-2 ESRS E3-1 ESRS E3-2 ESRS E5-1 ESRS E5-2	110-111 122-123 123-125 130-131 131
Amount of provisions and guarantees for environmental risks	ESRS E1-3 ESRS E3-5 ESRS E5-6	111-113 129 136
Pollution		
Measures to prevent, reduce or remedy emissions seriously affecting the environment, factoring in any specific form of atmospheric pollution of an activity, including noise and light pollution	3-3 Management of material topics. 305-5 Reduction of GHG emissions.	99-101
Circular economy and waste prevention and management		
Measures for the prevention, recycling, reuse and other recovery and disposal of waste. Actions to combat food waste	ESRS E5-2 ESRS E5-5	131 134-135 Given the nature of the Group's business, food waste is not a material issue.
Sustainable use of resources		
Water consumption and supply in accordance with local limitations	ESRS E3-2, E3-4 303-3 Water withdrawal	123-125 126-129
Consumption of raw materials and measures implemented to improve the efficiency of their use	ESRS E5-2, E5-4	131 132-133
Direct and indirect energy consumption	ESRS E1-5 3-3 Management of material topics 302-1 Energy consumption within the organization	115-117 126-129
Measures taken to improve energy efficiency	ESRS E1-3	111-113
Use of renewable energies	ESRS E1-5	115-117

Climate change		
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	117-120
Measures taken to adapt to the consequences of climate change.	ESRS E1-3	111-113
Voluntary medium- and long-term greenhouse gas reduction targets and the measures in place to achieve them.	ESRS E1-4	113-115
Biodiversity protection		
Measures taken to preserve or restore biodiversity.	ESRS 2 IRO-1	74-75
Impacts caused by activities or operations in protected areas.	ESRS 2 IRO-1	75-78
Social and employee-related topics		
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 S1-1	138-140
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 S1-5	145, 148-150, 156-158
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 S1-2, S1-3, S1-4	140-141 140-145 141-145
Employment		
Total number and distribution of employees based on diversity criteria (gender, age, country, etc.)	ESRS S1-6, S1-7 2-7 Employees 405-1 Diversity of governance bodies and employees	146-147 146-417 184-191

Total number and distribution of types of employment contract, average annual number of permanent, temporary and part-time contracts by gender, age and professional category	ESRS S1-6, S1-7 2-7 Employees	146-147 146-417 184-191
Number of layoffs by gender, age and professional category	3-3 Management of material topics	194
Average remuneration and trends therein, broken down by gender, age and professional category or similar	3-3 Management of material topics	195
Wage gap, remuneration of like positions or average remuneration in the Company	ESRS S1- 16 2-19 Remuneration policies	156 195
Average remuneration of board members and management, including variable remuneration, allowances, indemnities, payments into long-term savings schemes and any other amounts received, disaggregated by gender	2-19 Remuneration policies	195
Implementation of policies on disconnecting from work	ESRS S1-1	107-108
Employees with disabilities	ESRS S1-12	113-114
Organization of work		
Organization of working time	ESRS S1-1	138-140
Absenteeism hours	ESRS S1-14	156-158
Measures aimed at facilitating a work-life balance and encouraging the sharing of responsibilities between both parents	ESRS S1-15	141-145 155-156
Health and safety		
Occupational health and safety conditions	ESRS S1-3, S1-4, S1-5, S1-14	141-145 141-145 145 156-158
Occupational accidents, in particular with regard to their frequency and severity, and occupational illnesses, disaggregated by gender.	ESRS S1-14	156-158
Labor relations		
Organization of social dialogue, including procedures for notifying, consulting and negotiating with staff	ESRS S1-8	113
Percentage of employees covered by collective bargaining agreements, by country	ESRS S1-8	147-148
Balance of collective bargaining agreements, particularly in the field of occupational health and safety	ESRS S1-8	147-148

Mechanisms and procedures that the company has in place to promote the involvement of workers in its management, in terms of information, consultation and participation	ESRS S1-8	147-148
Training		
Training policies in place	ESRS S1-1, S1-13	107-108 141-145, 150-152
Total hours of training by employee category	ESRS S1-13	150-152
Universal accessibility for people with disabilities		
Universal accessibility for people with disabilities	ESRS S1-12	148-150
Equality		
Measures taken to promote equal treatment and opportunities for men and women	ESRS S1-5, S1-9, S1-11, S1-12	145, 148-150, 156-158 148-150 113-114 148-150
Equality plans (Chapter III of Organic Law 3/2007 of March 22 for effective gender equality), measures taken to promote employment, protocols to combat sexual and gender-based harassment, inclusion and universal accessibility for people with disabilities	ESRS S1-1, S1-5, S1-9, S1-11, S1-12	138-140 145, 148-150, 156-158 148-150 113-114 148-150
Policy on non-discrimination and, as the case may be, diversity management	ESRS S1-1	138-140
Respect for human rights		
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 S2-1	160-161
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 S2-5	165-166

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	167 167-168
Detailed information		
Implementation of due diligence procedures in relation to human rights, prevention of risks of abuse of human rights and, as the case may be, measures to mitigate, manage and redress any potential abuses committed	ESRS 2 GOV-4	88-89
Reported human rights violations	3-3 Management of material topics	196
Promotion of and compliance with the provisions of the fundamental conventions of the International Labor Organization as regards respect for freedom of association and the right to collective bargaining; the elimination of discrimination in employment and occupation; the elimination of forced or compulsory labor; and the effective abolition of child labor	ESRS S1-1 ESRS S2-1, S2-3, S2-4 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	138-140 160-161 161-164 161-164 No operations or suppliers have been registered at risk of cases of child labor, nor forced or compulsory labor. All Acerinox Group companies support the eradication of child labor and forced or compulsory labor. Acerinox is a signatory of the United Nations Global Compact.
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	172-178

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	180
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	178-180
Detailed information		
Measures taken to prevent corruption and bribery	ESRS G1-3	178-180
Anti-money laundering measures	ESRS G1-3	178-180
Contributions to foundations and not-for-profit organizations	201-1 Direct economic value generated and distributed	54, 202
Information about the Company		
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 E1-2 ESRS E3-1 ESRS E5-1 ESRS S1-1 ESRS S2-1 ESRS S4-1 ESRS G1-1	110-111 121-122 129-130 138-140 160-161 169-170 172-178
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	 90-92 136 98-100 112-118
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	62-64 80-81 107 119,124

Company commitments to sustainable development		
Impact of the Company's activity on local employment and development	ESRS S2-5	165-166
Impact of the Company's activity on the local populations and area	ESRS S2-5	165-166
Relations with local community stakeholders and the nature of engagement therewith.	ESRS 2 SBM-2	159
Association and sponsorship actions	2-28 Membership associations. 3-3 Management of material topics	196, 202
Subcontractors and suppliers		
Inclusion in the procurement policy of social, gender-equality and environmental issues	ESRS S2-1	160-161
Attention given to social and environmental responsibility in relations with suppliers and subcontractors	ESRS S2-3, S2-4	162-165
Oversight and audit systems and results thereof	ESRS S2-3, S2-4	162-165
Consumers		
Consumer health and safety measures	NEIS S4-4	169-170
Grievance mechanisms, complaints received and resolution thereof	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	During 2025, 10,245 claims have been received, of which 9,185 have been resolved and 1,060 were in the process of being finalized at the end of the year (9,950 received, 9,273 resolved and 677 pending in 2024). 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	200

Corporate income tax paid	207-4 Country-by-country reporting	197
Government subsidies received	207-4 Country-by-country reporting	28.17 million euros in 2025 29.96 million euros in 2024

8.8 External assurance report

Acerinox, S.A. and subsidiaries

Limited assurance report issued by a practitioner
on the Consolidated Non-Financial Information Statement
and Sustainability Information for the year ended 31 December 2025

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 Non-Financial Information Statement 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 Non-Financial Information Statement (hereinafter, NFIS) for the year ended 31 December 2025 of Acerinox, S.A. (hereinafter, the Parent company) and its subsidiaries (hereinafter, the Group) which form part of the Group's consolidated management report.

The NFIS 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 2025 (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 Non-Financial Information Statement for the year ended 31 December 2025 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 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 7.1, including:

- That the description provided of the process for identifying the sustainability information included in section 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.

PricewaterhouseCoopers Auditores, S.L.
Torre PwC, Pº de lah Castellana 259 B, 28046
Madrid, Spain
Tel.: +34 915 684 400 / +34 902 021 111

R. M. Madrid, page M-63.988, folio 75, volume 9.267, book 8.054, section 3
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- Compliance with the disclosure requirements, included in subsection "European Taxonomy of Sustainable Finance" of the environment section and Annex 8.3 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 the generally accepted professional standards applicable in Spain and specifically in accordance with the guidelines contained in Guides 47 Revised and 56 Revised 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 NFIS included in the Group's consolidated management report, as well as its content, is the responsibility of the directors of Acerinox, S.A. The NFIS 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 NFIS 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 NFIS 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 section 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 disclosure requirements, included in subsection "Taxonomía europea de finanzas sostenibles" from the environment section and Annex 8.3 of the environment section of thesustainability 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 NFIS 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 skepticism throughout the engagement. We also:

- Design and perform procedures to assess whether the process for identifying the information included in both the NFIS 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 NFIS 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 disclosures where material misstatements are likely to arise, whether due to fraud or error, in the NFIS 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 NFIS and sustainability information, of the review of the processes for compiling and validating the information presented in the NFIS 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 NFIS:

- 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 NFIS for the 2025 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 NFIS for the 2025 year.

- Review of information concerning risks, policies and management approaches applied in relation to the material matters presented in the NFIS for the 2025 year.

- Verification, by means of sample testing, of the information relating to the content of the NFIS for the 2025 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 external review.
  - In order to understand the source of the information used by management (for example, interaction with stakeholders, business plans, and strategy documents); and the review of the Group's internal documentation on its process.
- Obtaining, through enquiries of Group's personnel, an understanding of the entity's relevant processes for collecting, validating and presenting information for the preparation of its sustainability information.
- Evaluating of 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 the 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 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 NFIS 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

February 26, 2026

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