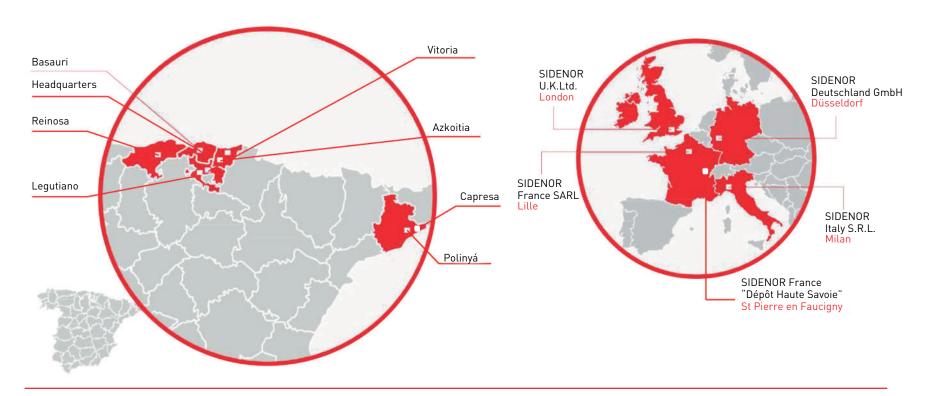


Digital Strategy

Production Centers & Employees





Centres	Basauri	Azkoitia	Vitoria	Reinosa Rolling	Reinosa F&C	Headquarters	Legutiano	Maltzaga **	Polinyá	Scrap Proces sing Units	Commercial Offices	R+D	TOTAL
Headcount	744	378	223	136	501	127	62	19	55	6	23	45	2,319

^{*} December 2017

^{**} Maltzaga Plant activities finished in 2017

Overall results 2017



"Sidenor is a market leader in the European special steel long product industry and and a reference point for heavy forgings and castings worldwide"

Annual Sales	Revenues	Employees
746,000 Tonnes	722 mill€	2,319





SBQ Products



PRODUCTS



HOT ROLLED BARS

- Rounds
- RCS
- Flats



WIRE ROD

• Coils

- Flats



FORGED BARS

- Rounds
- RCS



BRIGHT BARS

- Drawn
- Turned
- Ground



DRAWN WIRE

APPLICATIONS AUTOMOTIVE



- Crankshafts
- Gears
- Common rails
- Leaf springs
- Coil Springs
- Bearings
- Shafts
- CVJ's
- Steering racks
- Steering pinions
- Shock absorbers
- Fasteners

• ...

APPLICATIONS NON - AUTOMOTIVE



ENERGY (OIL AND GAS)



RAILWAY



ENERGY (WIND POWER)



OFF HIGHWAY EQUIPMENT



PHASE I

Definition of the Plan (Oct 2016/Jul 2017)

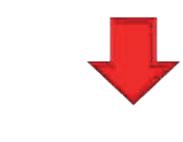
- Training in new technologies
- Interviews with main leaders
- · Workshops with the management team
- Identification of digital talent and new digital capacity



PHASE II

Digital Strategy2017-2021

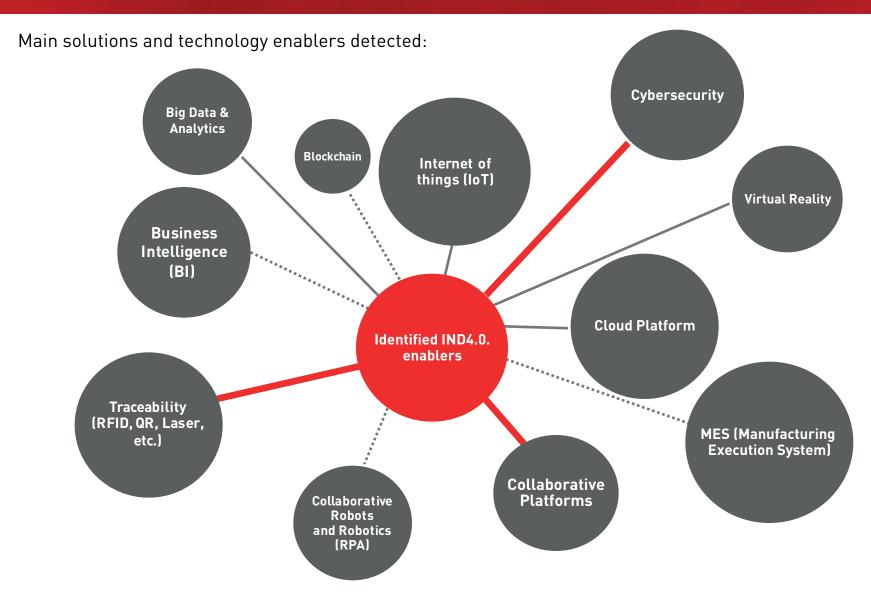
- Deployment and implementation of the digitalisation plan:
 - Industrial area "Smart Factory"
 - Functional processes "Smart Process"





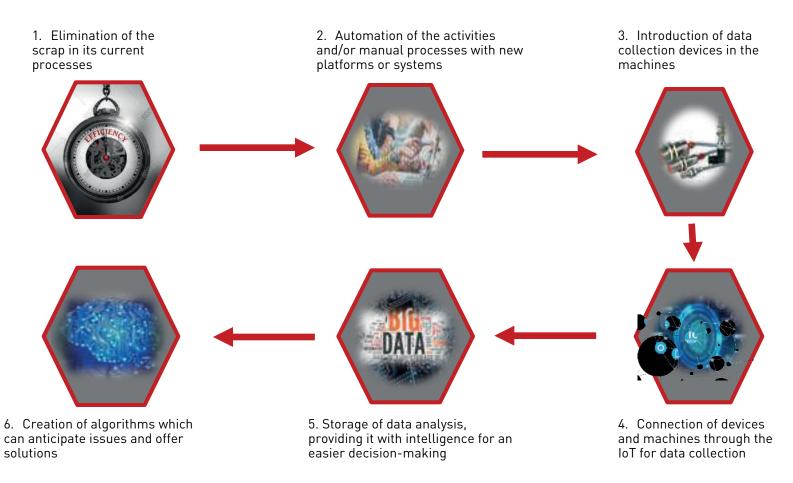
Plan communication and follow-up



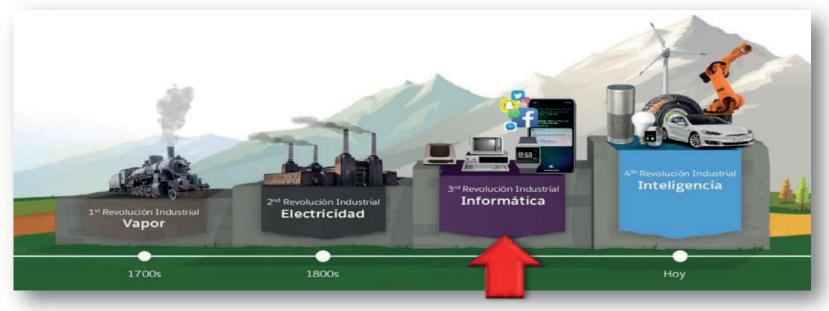




 Digitalitalisation first requires a Value Chain...to which "intelligence" will then be added so that it may become agile, flexible and efficient







Where were we?

- Stable and strong MES which are fully integrated to our management systems
- SAP implemented in 2000 and about to make the technological leap
- Millions of collected data, of which we only use a very low percentage

Where did we want to go to?

- Advanced systems in line with new technologies
- Implementation of new technologies in all business processes where they bring value
- Conversion of the millions of collected data into business intelligence

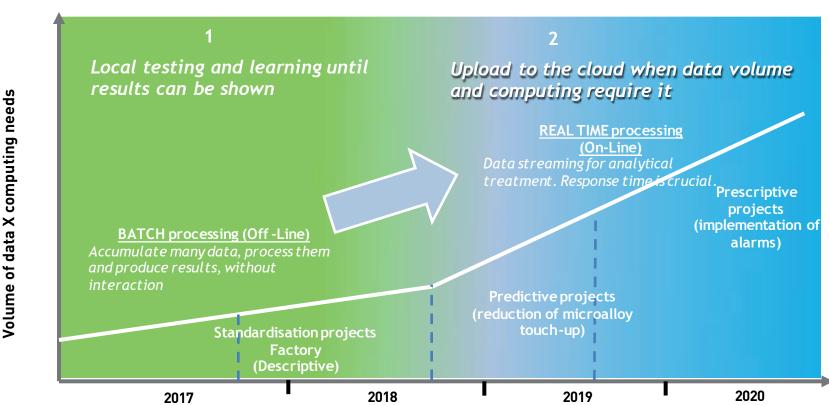




Basauri, a Smart Factory



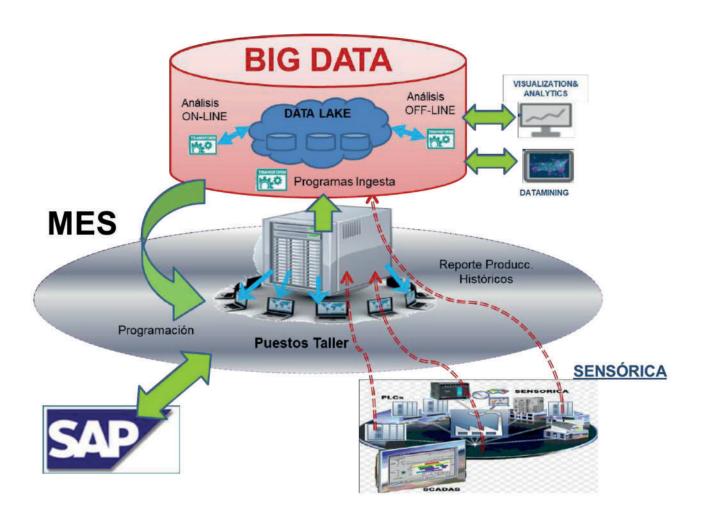
...analising how to address challenges...



Basauri, a Smart Factory



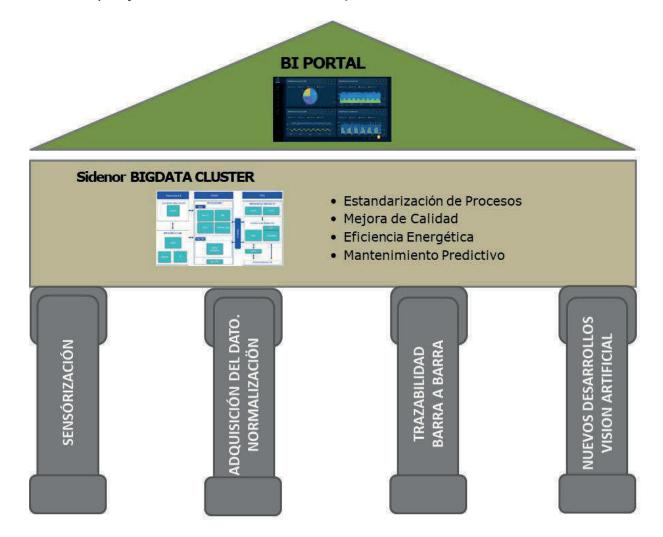
A. Have a Big Data Solution which allows us to store, process and use the set of data...



Basauri, a Smart Factory



...SMART FACTORY project, connected industry





Main lines of work

Smart Process

- $\circ\;$ Digitalisation of HR processes.
- o Virtual training.
- o Intelligentplanning.
- Development of collaborative platforms.
- o Intelligent storage.
 - Track & Trace.
 - Accessibility to management systems through mobile devices.
 - BI-BSC PORTAL factory / business.

Smart Factory

- o Standardisation of production parameters.
- o Quality improvement.
- o Energy efficiency.
 - o Predictive maintenance.
 - Mobility in the factory.
 - Intelligent logistics.





Innovation programmes



