



Steel  
that drives  
sustainable  
development

# Sustainability

## Report

Non-Financial Information Statement

# 2024

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## Chairman's letter

# Reliable service to our customers will continue to be our hallmark

2024 has ended with a clear weakening of activity in many industrial sectors. Sidenor has closed the year with positive financial results, despite the fact that its main market, the automotive industry, has been subject to significant regulatory uncertainty, which has had a very negative impact on demand.

Doubts about the evolution of electric vehicles, and in particular about restrictions on CO<sub>2</sub> emissions, coupled with the threat posed by Chinese vehicle imports, have plunged this industry into an identity crisis that has gone so far as to jeopardize the future of a sector essential to the European economy and employment.

At Sidenor, we have been able to adapt to this new reality. On the one hand, we have responded to our customers' needs

with speed and flexibility, adapting to the constantly changing circumstances of the environment. This service-oriented approach, combined with the significant investment made in recent years to elevate our industrial assets to the highest level of excellence, has allowed us to gain market positions, even as some of our main European competitors were plunging into extremely serious situations.

Furthermore, from a technological perspective, we have continued to invest in our R&D activities, both in steels for vehicles with combustion engines – as demonstrated by our recent approvals for bearing steels, only within the reach of the best steelmakers – and by participating in numerous projects aimed at electric vehicles. This ensures that Sidenor





Sidenor will  
be a top-tier  
player in the  
automotive  
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regardless of  
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technological  
evolution

will be a top-tier player in the automotive market, regardless of that market's technological evolution.

But in a world with so many uncertainties, we do not want to depend on a single sector; for this reason, we are convinced that our policy must be aligned with our environmental strategy. By 2025, Sidenor's entire electricity supply will come from renewable sources; we will thereby have eliminated all indirect CO<sub>2</sub> emissions - those related to electricity generation. In parallel, we continue working to reduce direct emissions, those primarily related to natural gas combustion; there is no technological solution available for these types of emissions, and electrification only replaces a small portion of gas applications. Even so, by the end of 2025, we will have eliminated 73% of emissions compared to 2005, the benchmark year for our industry. As a sign of this commitment, 10% of Sidenor employees'

variable remuneration will be tied to achieving emissions targets for the year.

Finally, thanks to the enormous progress made in the flexibility of our industrial equipment, we are now able to modify the operating schedule of our steelworks in just a few weeks. This flexibility constitutes a competitive advantage that, when used as a commercial tool, will allow us to continue to grow in our customers' preference.

Our technological and innovative capacity, as well as the versatility and flexibility of our industrial equipment, allow us to be optimistic about the future of our company, regardless of market-related difficulties and geopolitical surprises.

**José Antonio Jainaga**  
Chairman of Sidenor





# MAIN FIGURES

# 2024 Achievements



## January

- ◆ We received the silver medal awarded by EcoVadis in recognition of our commitment to sustainability. We were ranked 15% higher than other companies evaluated globally in the sector.
- ◆ We passed the validation of the Decarbonization Targets according to the SBTi (Science Based Targets) initiative, a tool that scientifically assesses the measures necessary to reduce global emissions.



## February

- ◆ We launched the third class of the Steelers Program, designed to foster a culture of innovation.
- ◆ During the first semester, we conducted industrial tests with various biomasses to replace coal within the framework of the GREENHEATEAF and DESKAR30 projects.



## March

- ◆ We inaugurated the Sidenor 612 Innovation Hub, a space dedicated to open innovation activities. We also launched a landing page to attract startups and present differential challenges.
- ◆ We participated in Simodec 2024, an international event held in La Roche-sur-Foron (France) that brings together professionals from the turning and precision engineering industries.



## April

- ◆ We attended the Wire 2024 conference, held in Düsseldorf, Germany, where sustainable steels, carbon-neutral steels, and the decarbonization strategy were presented.
- ◆ We approved the proposal for the European CROSSCUT project, within the framework of the RFCS – Big Ticket call, being the first of this call to include the participation of the R&D department. The project is oriented towards decarbonization and will focus on the industrial use of low-emission alternative carbon products.
- ◆ We successfully passed the ISO 9001 and IATF 16949 quality audits.



## May

- ◆ Through our R&D department, we participated in the Decarbonization and Hydrogen Forums – organized by the Energy Cluster –, presenting the progress of the Desgas, H-Acero and IS2H4C research projects to the Basque Science, Technology and Innovation Network.

## June



- ◆ We participated in South Summit Madrid, a global open innovation platform that connects startups, corporations, and investors, consolidating the position of the Sidenor 612 Innovation Hub.
- ◆ We attended the Green Steel World Expo & Conference in Essen, Germany, a highly relevant conference on environmental sustainability in the steel industry, where we held the presentation on 'The path towards sustainability'.
- ◆ We introduced our new tool for calculating the environmental footprint of our products, which can analyze more than 25,000 steel references.
- ◆ We renewed our ISO 20400 certification, reaffirming our commitment to sustainability in the supply chain. Along the same lines, we renewed our ISO 45001 (Occupational Health and Safety), ISO 14001 (Environment), and ISO 50001 (Energy) certifications for all plants, achieving excellent results in control, monitoring, participation, and engagement.



## July

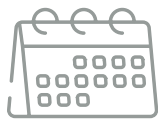
- ◆ We received recognition for our Decarbonization project within the framework of the PERTE (National Environmental Protection Agency).
- ◆ We obtained the EPD PROCESS certification for the new product environmental footprint calculation tool.
- ◆ We renewed the 2024–2028 Equality Plan.

## September

- ◆ Following the outstanding success of the 2023 call for European Projects of the RFCS Program – with the approval of eight proposals in which the R&D department participated – we began the execution of these projects, covering areas of action in the Process and Product areas.



## October



- ◆ We participated in the ninth edition of BIND 4.0, an open innovation and acceleration program that, since its creation in 2016, has promoted more than 160 startups and developed more than 240 projects internationally.
- ◆ We took part in the 4<sup>th</sup> Leaders in Tech Congress, an INNOLAB Bilbao initiative that serves as a platform to disseminate, generate, and recognize new technologies as well as scientific and technological talents.
- ◆ We attended the B-Venture event, where a roundtable discussion on partnerships between corporations and startups was held.
- ◆ We were awarded a PERTE grant to provide the Basauri plant with the necessary technology to manufacture steel for electric vehicle components, in compliance with the demanding industry standards and decarbonization and sustainability goals.
- ◆ We launched the Future Engineers Program (SFEP), aimed at intensive training of new professionals for positions in technical departments, incorporating recent graduates into the R&D area.
- ◆ We attended EUROFORGE in Milan, where we gave a presentation on 'Heat Up the Innovation, Cool Down the Emissions: The Heat Treatment Future'.



## November

- ◆ We commissioned the Cervia and Olerdola photovoltaic parks, which will supply 11,000 MWh/year of renewable energy.
- ◆ We collaborated in helping the people affected by the disaster in Valencia by sending machinery and workers from the Sagunto plant.
- ◆ We began the process to enable the use of fully renewable fuels by remanufacturing internal logistics equipment.
- ◆ We signed the Prevention and Healthy Company Plan Agreement, valid until December 31, 2027.








## December

- ◆ We acquired Eplus Reciclaje y Gestión Integral de Residuos S.L., a Barcelona-based waste management company.
- ◆ We launched the white slag recovery project.
- ◆ Sustainable financing worth €15 million was established through 2031, with three sustainability KPIs.





# Main figures of the year

Company	2024	2023
 <b>Employees</b> (end of the year)	1,901	1,840
 <b>Turnover</b> (M€)	838	938
 <b>Sales</b> (kTn of steel)	647	640
 <b>Training</b> (hours provided)	70,337	77,850
 <b>Investment implemented</b> (M€)	20	11

## Environment

38% reduction in CO<sub>2</sub>/t steel  
emissions since 2021

Recycling of around  
800,000 tons  
scrap per year

Recovery of 90%  
of the waste  
generated

Economic results	2024	2023	24 vs 23
<b>Turnover</b> (M€)	838	938	-10.6%
<b>Sales volume</b> (kt)	647	640	+1.1%
<b>EBITDA</b> (M€)	52	61	-14.7%
<b>Main investments</b> (M€)	20	11	+81.8%

Tax information	2024	2023
<b>Benefits</b> (M€) <sup>2</sup>	15	23
<b>Profit taxes paid</b> <sup>1</sup>	0	0
<b>Public subsidies received</b> (M€)	17.4	12.1

(1) Due to the application of tax credits arising from losses from previous financial years and deductions, the year's actual payment amounts to 0.

(2) Such benefits are almost exclusively generated by Spanish companies, as the sole foreign companies are the offices, which incorporate a very residual benefit.

01

A STEEL-STRONG

COMMITMENT



# Excellence and Responsibility

For years, Sidenor has stood out as a leader in the manufacture of special steels, as well as an essential supplier of calibration products in the competitive European market.

Responsibility and excellence are fundamental aspects of our work, two aspects that are very present in our network of production centers strategically located in the Basque Country, Cantabria, and Catalonia. Furthermore, our facilities are equipped with cutting-edge technology and designed to meet the highest demands of industrial sectors that require exceptional quality products and services. We also have sales offices in Germany, France, Italy, and the United Kingdom, allowing us to reach even further.

Our production capacity, close to 900,000 tons of steel, now places us as one of the main European suppliers of special steel for the automotive sector, as well as other sectors such as power generation, oil & gas, heavy machinery

construction, and capital goods, and our clear purpose is to strengthen this position. In these sectors, Sidenor's special steel is used to manufacture high-liability products.

A fundamental part of the company is our team, made up of approximately 1,900 people. We are deeply committed to providing them with an inspiring work environment, always prioritizing their well-being. To this end, we make every effort to ensure their safety and foster their professional growth.



We have a team of  
approximately

**1,900 people**



Our **steel production capacity** is close to  
**900,000 tons**



## Innovation, the driving force for competitiveness

Amid the unstable situation our sector finds itself in, marked by demanding environmental guidelines and the transition to electric vehicles, we continue to work efficiently, seeking to strengthen our sustainability strategy, improve competitiveness, and enhance diversification.

The steel industry remains a strategic sector, a driving force for the economy in our region, as well as a benchmark in sustainability, recycling, and leading responsible practices. At Sidenor, we are a clear example of this, as we work with a firm commitment to promoting circular economy and minimizing our environmental footprint, and even collaborating with our customers to reduce the environmental impact downstream of our process.

On our path to continuous growth, we are making significant investments in innovation, undoubtedly one of the pillars on which our activity is based.

In fact, our R&D center is one of the largest in the European steel sector, allowing us to develop new technologies and products that help

us meet our customers' needs. Along these lines, we are transforming the company to become a benchmark in Industry 4.0, improving and digitalizing our production processes to make them more efficient, safer, and of higher quality, allowing us to become increasingly competitive.

We wish to highlight the work of our recently created Innovation Hub – Sidenor 612 – to help us advance the company's digitalization, serve as a gateway to open innovation in collaboration with startups, and foster innovative initiatives and culture within our organization.

## Moving forward in a sustainable way

We have a clear objective: to make more efficient use of resources and reduce emissions. To achieve this, we operate under the principles of circular economy. In this way, we are committed to constantly searching for cutting-edge methods that help us reduce, reuse, and utilize the waste generated during the steel production process. This purpose demonstrates the socially responsible commitment we maintain with investors, suppliers, customers, and the communities involved.

Working alongside all stakeholders in our value chain, we seek to jointly advance toward business excellence. This approach helps us grow sustainably and responsibly, ensuring the continuity and future success of our activities.

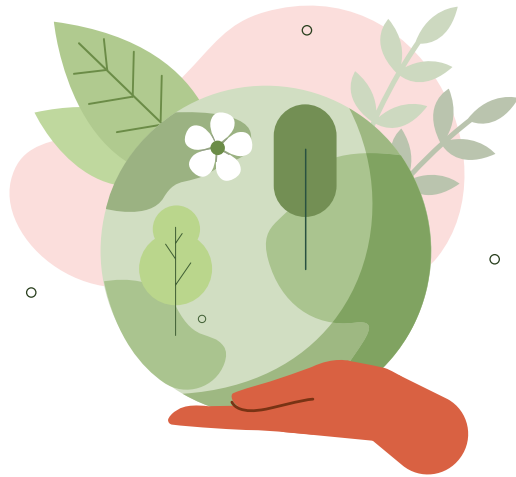
We have a clear objective: to make more efficient use of resources and reduce emissions





## MISSION

To generate sustainable value in the special steel business



## VISION

To be a benchmark in product and process innovation



## VALUES



Meeting **Customer**  
needs

Economic, social, and enviromental  
**Sustainability**

Respected and engaged  
**People**

Focus on **Results**

People **Safety**

**Innovation** in everything  
we do

# ESG commitment now and for the future

Sustainability is part of the company's DNA, and is applied transversally throughout the entire value chain, in all processes and operations, with a special focus on people, the environment, society, ethics, and corporate transparency.

As evidence of this, in 2021 we adopted a demanding environmental stance, with specific objectives and work plans associated with two pillars: the fight against climate change and our commitment to circular economy. As a result of this line of action, over the last 10 years, we have increased our waste recovery rate by 15% and allocated more

than 40 million euros to developing environmental and energy efficiency initiatives.

Sustainability is also fundamental to corporate governance, as it is present in every decision made, while also managing risks prudently and actively, and promoting transparency and ethical behavior.

Our commitment is also linked to human rights and talent, promoting the safety and equality of people.



## Common challenges

In 2022, we joined the United Nations Global Compact Principles, the UN initiative that leads corporate sustainability worldwide. This way, we connect with more than 25,400 organizations in over 167 countries and with nearly 70 local networks worldwide.

In Spain, more than 1,800 organizations are aligned with the Global Compact, an alliance that promotes fundamental values in the areas of human rights, labor, the environment, and anti-corruption.



## Sustainable Development Goals

We understand that the future is built today. Therefore, as a responsible company, we believe it is essential to take steps that allow us to address challenges that affect us all - a path we are following side by side with the UN Sustainable Development Goals (SDGs).

Due to the unique nature of our business, we focus on and actively contribute to six SDGs:



**Ensuring healthy lives and promoting well-being for everyone at all ages:** Improving the health and safety of the people who work in our facilities is a priority for Sidenor. To promote healthy habits that improve our health, we have the Healthy Company project, through which we propose simple actions that contribute to a healthier life.



**Ensure inclusive, equitable, and quality education and promote lifelong learning opportunities for all:** We promote the training and talent of our employees and young people in our community in key skills for both our business and the labor demands of tomorrow.



**Achieving gender equality and empowering all women and girls:** We have policies that allow us to offer equal opportunities to all people and reject any type of discrimination based on sex, race, or religion. This was reflected in 2018 with the signing of Sidenor's first Equality Plan, renewed in July for the years 2024-2028.



**Build resilient infrastructure, promote sustainable industrialization, and foster innovation:** We have created the Innovation Hub, which, under the IT department, aims to advance the company's digitalization by serving as a gateway to open innovation in collaboration with startups and as a breeding ground for innovative initiatives.



**Ensure sustainable consumption and production methods:** We apply the principle of continuous improvement in the use of raw materials to ensure their responsible use, and we recover an increasing percentage of the waste we generate.



**Take urgent action to combat climate change and its effects:** We are committed to reducing our carbon footprint by making quantifiable commitments.

Through the SDGs, we aim to contribute to creating a better world by driving significant changes in areas we consider crucial for a sustainable future.

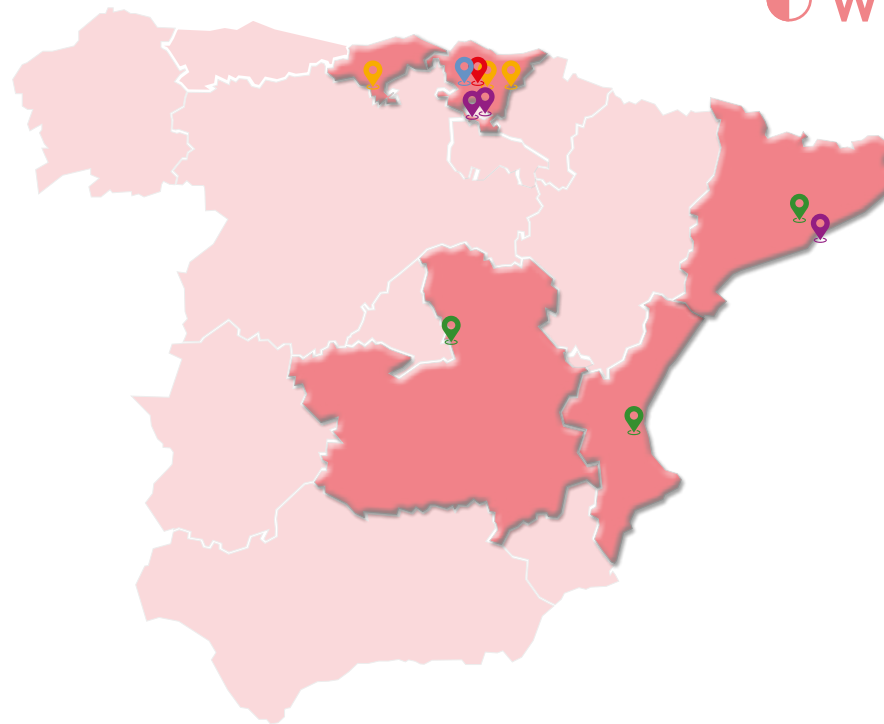


# Business model

Our business focuses on generating value sustainably throughout the entire steel lifecycle, from the collection of scrap, which serves as raw material for the manufacture of our entire portfolio of products, until these become scrap again.

In our efforts to offer functional and quality products, we are committed to innovation and continuous improvement. In this way, we incorporate the best business practices to improve efficiency, generate less waste, and minimize the use of natural resources. To this end, our production centers are highly specialized and equipped with state-of-the-art equipment and technologies.

## Where we are?



**General offices**  
Basauri (Bizkaia)

**Sidenor R&D**  
Basauri (Bizkaia)

**Steel production**  
Azkoitia (Gipuzkoa)  
Basauri (Bizkaia)  
Reinosa (Cantabria)

**Sidenor Bright Steels**  
Vitoria (Araba)  
Legutiano (Araba)  
Polinyà (Barcelona)  
Jundiz (Araba)

**Scrap collection and processing**  
Sagunto (Valencia)  
Fuenlabrada (Madrid)  
Artés (Barcelona)

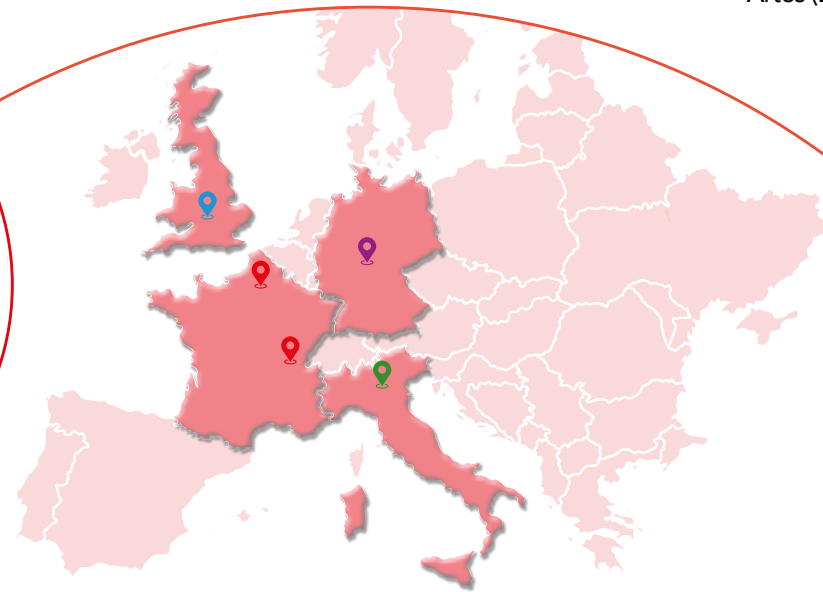
### Sales offices

**Sidenor United Kingdom**

**Sidenor Germany**

**Sidenor Italy**

**Sidenor France**



## ● Situation of the sector in Spain

(Source of data: Unesid 2023)

Our country is one of the leading steel producers in Europe and worldwide. In fact, Spain produces steel in 22 plants and 50 facilities for rolling and primary processing. While Asturias and the Basque Country are the regions with the highest concentration of activity, eleven Autonomous Communities have factories in this industry. The sector as a whole has a turnover of nearly €14.9 billion and employs more than 60,000 people, plus another 20,000 jobs linked to scrap collection.

In terms of production, the sector produces 11.4 million tons of steel annually and is primarily an exporter, delivering its products to nearly 160 countries. Its strategy is defined by concepts such as innovation, efficiency, sustainability, and workplace safety, which makes it a key player in the transition to a circular economy model.

The industry recycles nearly 9.3 million tons of scrap annually, in addition to making efficient use of resources, thus recovering nearly 80% of the waste and byproducts generated in the process.

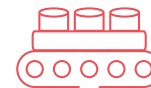
In this scenario, Sidenor is the leading manufacturer of special steels in Spain, a product with high added value and demanding manufacturing requirements. In the short and medium term, we expect to continue leading the national sector thanks to the significant investments made to improve our performance, expand our product portfolio, and increase our production capacity. Some factors that could affect the pace of business include a decline in sales, primarily in exports, rising prices for raw materials and energy, or possible legislative changes related to environmental matters.



**Steel production  
in Spain:**



**22  
plants**



**50  
rolling  
facilities**



**Direct  
employment:  
60,000**



**Turnover:  
M€ 14,900**

We lead the national sector thanks to the investments made to improve our performance, expand our product portfolio and increase our production capacity

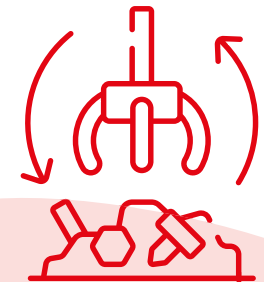
## ● A second life for scrap

We are aware of the need to efficiently manage metal waste, as it reduces both the use of new materials and the environmental impact of their disposal. Therefore, we have made scrap recycling the foundation of our production process. Each year, we convert nearly 800,000 tons of scrap into top-quality steel products. This is a responsible model, in line with our commitment to circular economy, the environment, and society. It begins with the purchase of scrap and continues at the Basauri steelworks, where the raw material is processed.

To carry out this work, we have three collection centers located in Fuenlabrada (Madrid), Sagunto (Valencia), and Artés (Barcelona). We also have the necessary resources to develop the supply value chain and guarantee the quality of the material used.

We consider our scrap suppliers to be key partners, as their participation is essential in ensuring both the quality of the raw material supplied and the sustainability of the production chain. With this in mind, we foster long-term relationships with them. Furthermore, to ensure that their practices are responsible and aligned with our policies, we have implemented monitoring mechanisms and conduct periodic visits to check the state of their facilities, quality, and available stocks.

We have three collection centers located in Fuenlabrada (Madrid), Sagunto (Valencia), and Artés (Barcelona)



Each year, we convert approximately

**800,000 tons of scrap**

into

**top-quality steel**

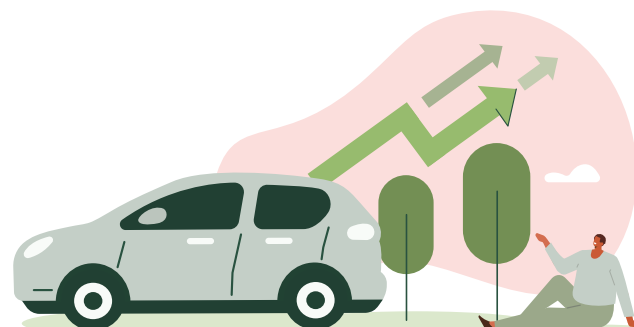
products





## Our business lines

We develop and manufacture a wide range of top-quality products that meet the needs of the most demanding customers in many sectors. Our activity is focused on:



### Special steel sales by sector



Forging  
**43%**



Cars  
**14%**



Stockists  
**13%**



Open-die forging  
**7%**



Suspensions  
**6%**



Energy  
**5%**



Other  
**3%**



Fasteners  
**3%**



Mechanical engineering  
**2%**



Chains  
**2%**



Bearings  
**1%**



Calibrators  
**1%**





## Special steels

We are one of the major manufacturers of special steels in Europe. The update and improvement of equipment and processes in our production centers allow us to market innovative products which comply with the most demanding efficiency and quality requirements of our customers.

### PRODUCTS

- ◆ Semi-finished products: continuous casting billets, blooms (rectangular and round) and continuous casting slabs.
- ◆ Rolled bars: round bars, billets and tires.
- ◆ Bright bars: turned, drawn and grounded.

### MAIN APPLICATIONS

- ◆ Automotive sector (parts for transmission components, engine, gearbox, etc.).
- ◆ Wind sector
- ◆ *Oil&Gas*
- ◆ *Off-highway*
- ◆ Capital goods
- ◆ Railway
- ◆ Mining

## Sidenor Bright Steels

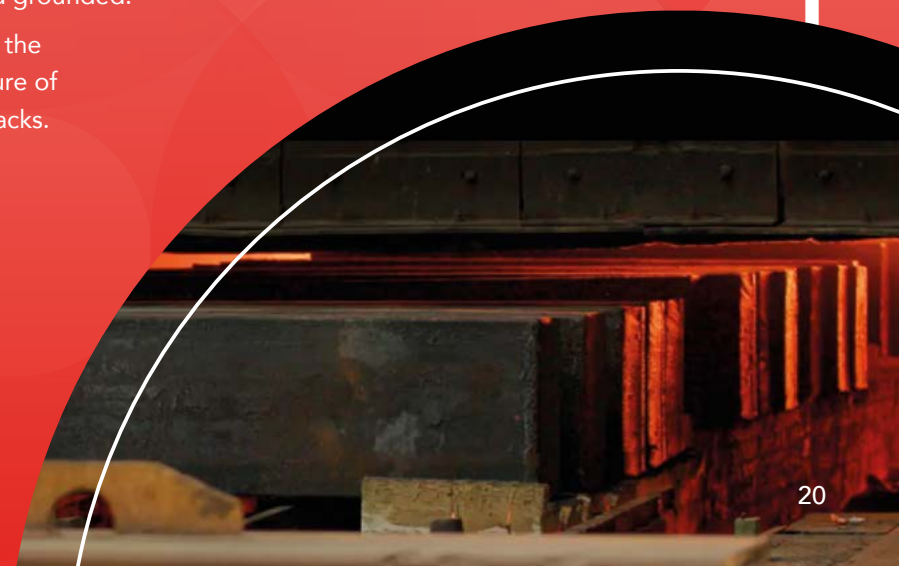
Sidenor Bright Steels is the result of Sidenor's global growth strategy in terms of calibrated products. We are currently the largest Spanish group in the calibration sector.

### PRODUCTS

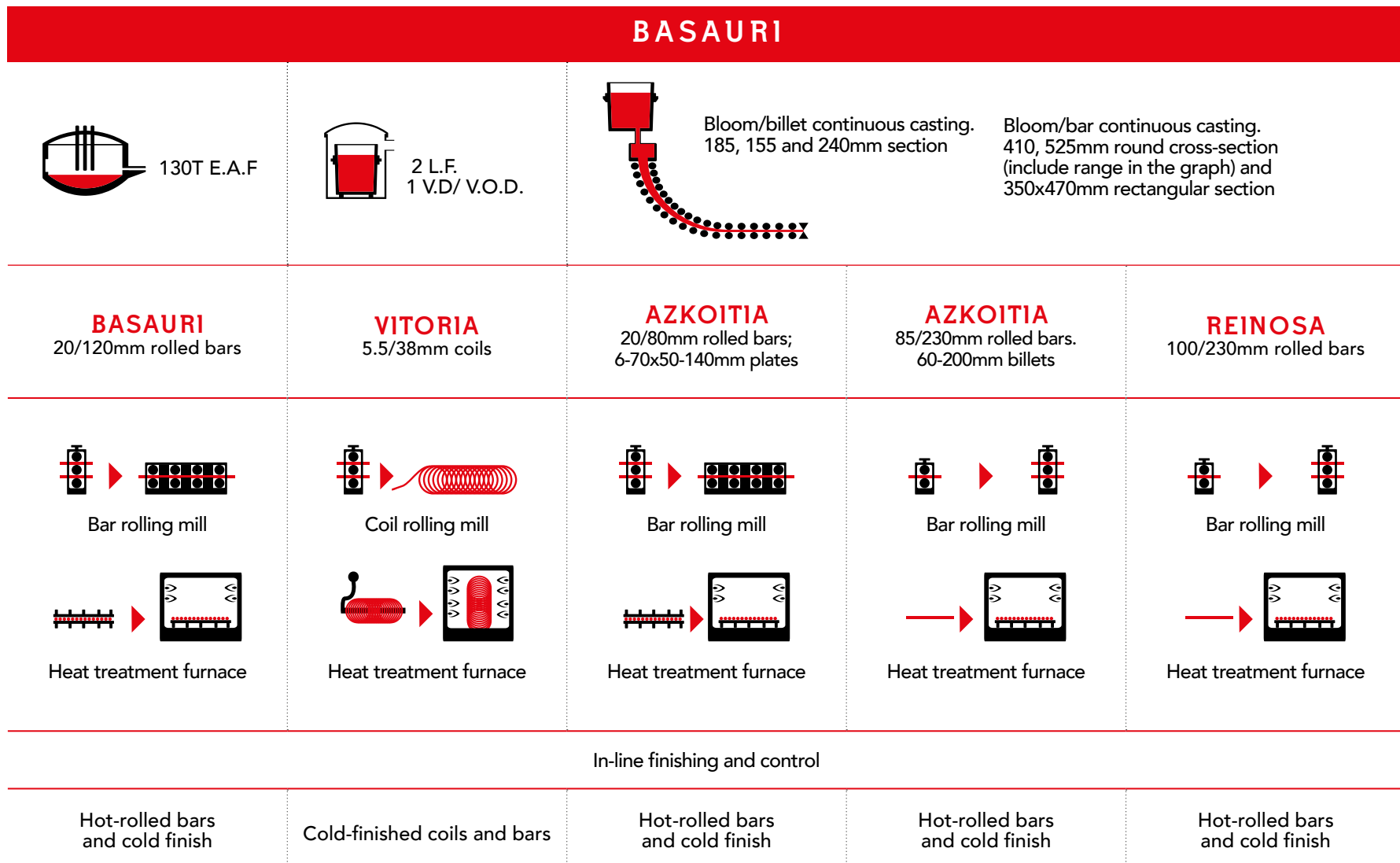
- ◆ Wire rod and drawn wire.
- ◆ Bright bars: turned, drawn and grounded.
- ◆ Blanks for the manufacture of steering racks.

### MAIN APPLICATIONS

- ◆ Automotive sector
- ◆ Energy
- ◆ Capital goods



## An efficient work structure





At Sidenor, we  
are committed to  
diversification both  
in the operational  
steel business and  
the corporate level



## ○ Diversification to keep moving forward

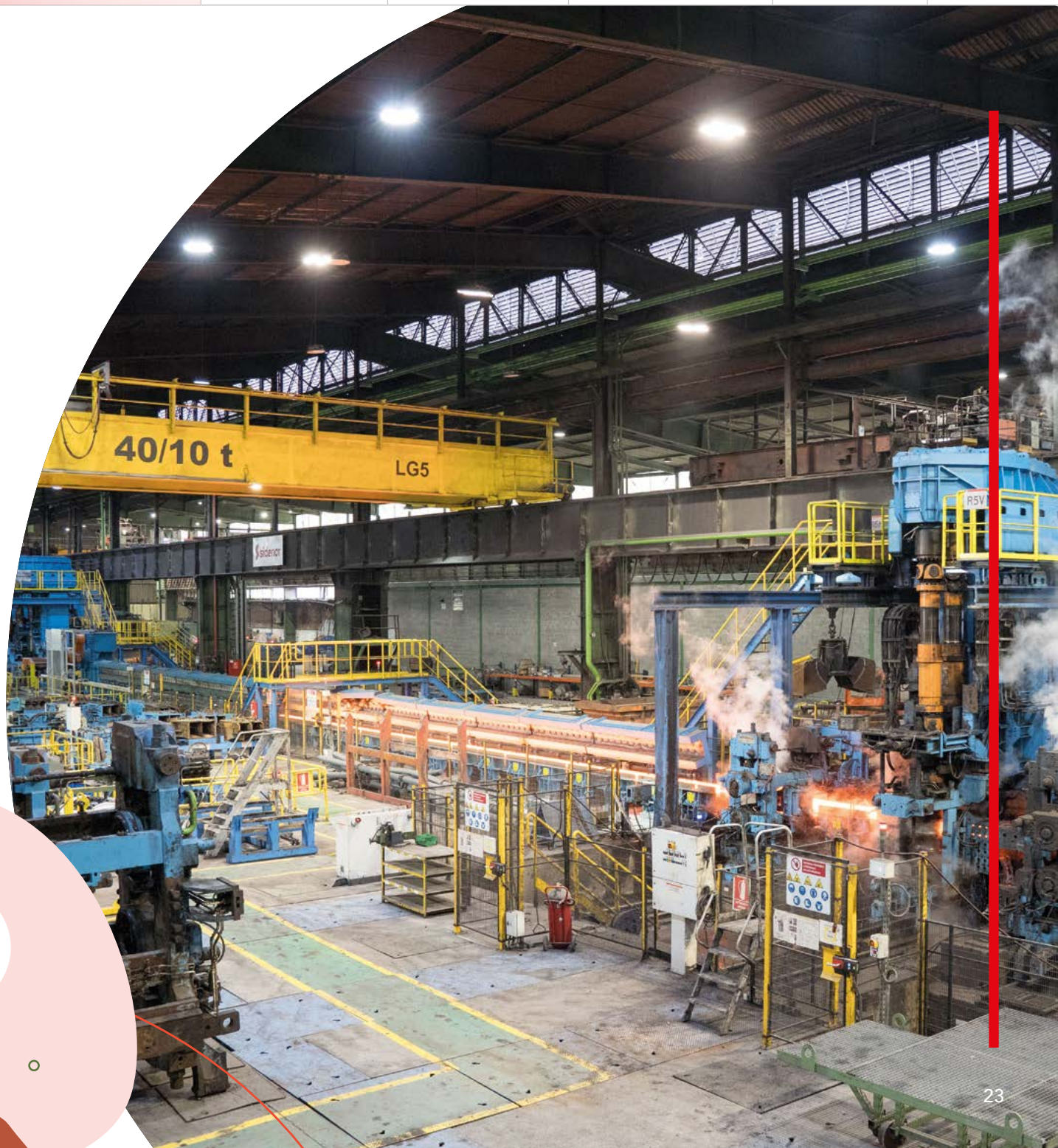
In a market as ever-changing as ours, we understand that creating new things is what will ensure our future. Therefore, at Sidenor, and within the framework of the Innovation Project, we are committed to diversification both in the operational steel business and at corporate level.

Regarding our activities, our long-term strategy is to expand and grow beyond the automotive sector. This will allow us, on the one hand, to mitigate the decline in steel consumption due to the rise of electric cars and, on the other, to be leaders in sustainability, quality, competitiveness, and service in traditional sectors. We began this journey years ago and, to date, we continue to make progress in the development of new products, certifications, and, above all, in transforming our traditional ways of working. We are currently present in sectors such as power generation (wind and oil & gas), railway, mining and industrial machinery, among others. To enter these sectors, we have performed significant investments, such as the modernization of our heat treatment facilities and the manufacture of continuous casting round bloom formats of 410, 525 and 600 millimeters in diameter. In this process, the support of the Sidenor R&D center has been crucial, as it has allowed us to develop customized steel grades to meet and exceed new demands.



In line with our continuous market analysis, in 2024 we achieved significant progress in sectors such as maritime, forklift trucks and rail manufacturers, among others. We are also exploring the development of new products, such as larger rolled rounded bars than our current range, new sections of continuous cast blooms, and more demanding steel qualities, both in special and stainless steel.

We are also continuing our corporate diversification, establishing alliances and acquiring other companies to seek synergies with our business.



## Flexible and personalized responses

In 2024, we increased our market share in a very complex market situation. The excellent performance of our team, as well as the optimization of new investments in our Basauri facilities, have allowed us to further increase flexibility in a sector that increasingly requires faster responses, accompanied by agile, high-quality service.

Innovation is one of our main tools for providing more personalized solutions to each of our customers and the challenges that the market imposes on us, increasing the value of the product we offer.

In accordance with the strict criteria established by the ISO 14067 - PCR 2015:03 standards, which cover both upstream and core emissions, we have worked and made progress in measuring and managing the environmental sustainability of our products and their impact on the value chain, which has allowed us to make the best decisions at all times.

We share the knowledge we have acquired and implement collaborative plans with our customers for product ecodesign. These plans are aimed at developing components with a lower environmental impact throughout their entire life cycle, in line with our commitment to sustainability and innovation.

Despite the recent uncertainty in the electric vehicle market and the development of new projects, we have strengthened our presence in traditional sectors while exploring new opportunities for diversification within the automotive sector. This strategy has allowed us not only to maintain our leadership but also to adapt and grow in a changing environment.



### Diversification

The diversification process is one of the key elements of our strategy to increase our market share in the coming years, and as such, all areas of the company are making a great effort to achieve the goals set.

We have significantly expanded our product range with new formats and dimensions. We have also incorporated new steels that meet the needs of the new sectors we are addressing and obtained the necessary approvals to supply customers demanding these products. This is a task of continuous, long-term efforts, and one in which Sidenor's entire team is highly committed.



### Stainless

Another diversification product is the consolidation of stainless steel melting from 100% selected stainless scrap, thereby reducing the carbon footprint compared to other manufacturing methods.



### Approval

We continue to focus on growth in EV-resistant parts, as well as new parts for electric vehicles. This commitment is essential to our long-term strategy and allows us to stay ahead in a constantly evolving market. In addition, we have been nominated for several additional references for steering racks. This recognition strengthens our market positioning in this business line within SBS and motivates us to continue innovating and offering high-quality products to our customers.



## Shared value

Our mission is to create value for our customers in a sustainable way, a goal we couldn't achieve without offering them a technically perfect and environmentally friendly product. To fulfill this mission, it is essential to have a team capable of listening to our customers and providing them with solutions.

To answer this need, we have established, for many years now, a Customer Technical Assistance Department (CTA), whose sole objective is to serve as a point of contact with the users in order to cover all their needs regarding the technical and environmental performance of our products.

The CTA Department performs two types of customer services:

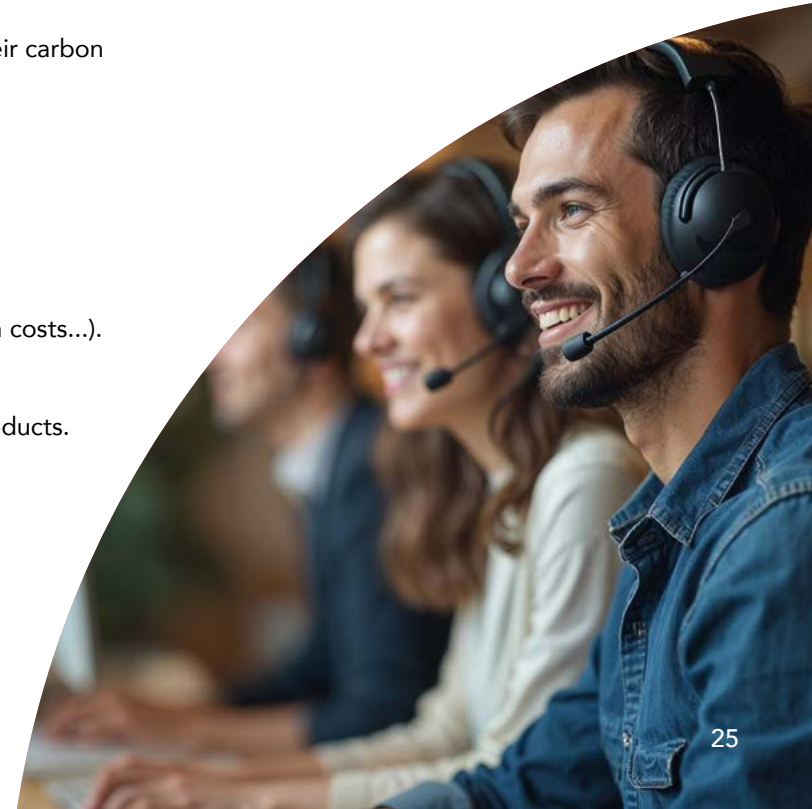
### 1. Pre-sales service, with two main activities:

- ◆ Optimal product design to improve performance and adapt it to the customer's processes.
- ◆ Approval management: documentation, audits, initial samples, etc. During 2024, more than 120 technical meetings were held with customers (audits, working groups, technical monitoring of product performance, etc.) in sectors such as automotive, energy, wind energy and railway, and more than 400 documented approval requests were processed.
- ◆ Supporting customers in ecodesigning steel to reduce their carbon footprint.

### 2. After-sales service, focused on:

- ◆ Integral management of complaints.
- ◆ Product optimization (enhanced performance, decrease in costs...).
- ◆ All types of technical queries.
- ◆ Information related to the carbon footprint of Sidenor products.

The ATC Department's role is twofold: to connect our customers with Sidenor's technical and human resources, and to help understand their specific needs



## 🕒 Innovation in action

The steel industry is the driving force of the economy in our region, as well as a benchmark in sustainability, recycling and leadership in responsible practices. To continue being this, research, development and innovation are key, especially in a sector like the automotive industry, which is undergoing a rapid transformation with new mobility models that affect a significant portion of our customers and traditional products. This landscape requires us to be flexible and adapt to changes by developing new products, improving processes and promoting diversification.

Thus, during 2024, we continued to fine-tune the integration of the technological and innovation areas following the recent creation of the Technology Hub Management and the Innovation Hub. All of this is aimed at enhancing cross-functionality with the rest of the company's areas, seeking continuous improvement, providing a vision for the future, and with a clear focus on remaining technological and innovative leaders in the market.

Fundamental to this effort is the work carried out by our subsidiary, Sidenor Investigación y Desarrollo S.A., a non-profit company that will celebrate its 40th anniversary in 2025. It is equipped with a laboratory of excellence and is a metallurgical and technological benchmark for both the Group and our customers, boosting our competitiveness and sustainability. Thus, Sidenor R&D focuses on both product and process development, allowing us, on the one hand, to anticipate market needs and, on the other, to be a more efficient, competitive, safe, and environmentally friendly company. This division brings together a Product Development area and a Process area. Both help us strengthen collaborative relationships with our key customers to strengthen their position in their reference markets, combining new high-performance steels and optimizing processing costs, and continue improving in terms of quality, costs, productivity and circular economy, always maintaining customer satisfaction as our guiding principle.

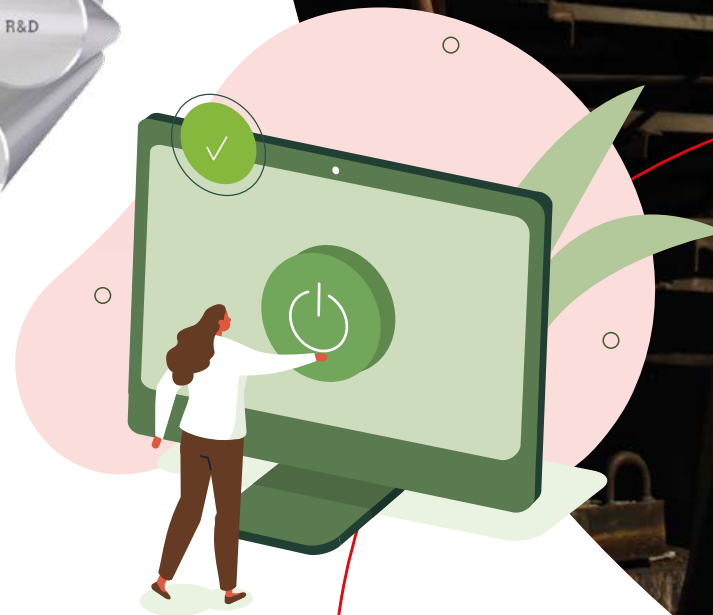


We must also highlight the work of the still-young Innovation Hub, which allows us to advance the company's digitalization, in addition to being a gateway to open innovation in collaboration with *startups* and promoting innovative initiatives.

Furthermore, we actively participate in the "European Steel Ecosystem" as another important line of work in the R&D&I area. Thus, we collaborate on European multi-partner projects in order to be at the forefront of emerging technologies and industrial best practices, such as the RFCS (Research Fund Coal and Steel) program and Horizon Europe. We also collaborate with technological institutions in the steel sector and leading customers in the markets where we operate. We are also part of the national technological environment and collaborate with all relevant stakeholders/*clusters* in our industrial field.

## Innobars, our identity and innovation hallmark

Innobars is our innovation symbol, through which we identify and promote our most advanced products and processes that meet the most demanding standards of quality, safety, and sustainability.





## Digitalization and technological Innovation

Digitalization and technological innovation are key drivers for the transformation of sectors and business models. In 2024, we inaugurated our Sidenor 612 Innovation Hub, whose main objective is the development and integration of advanced technological solutions, as well as the application of artificial intelligence in various business processes. Through this Hub, we also promote the digitalization of our processes and foster open innovation, collaborating with various stakeholders in the ecosystem.

Furthermore, in 2024 we worked on consolidating our industrial automation cell, a project that will allow us to transform our production processes by integrating new technologies that improve efficiency, sustainability and market competitiveness, while advancing industrial digitalization and OT cybersecurity.

Finally, it is important to highlight the efforts made throughout 2024 in cybersecurity, an area that has gained relevance due to the increase in digital threats and the growing digitalization of businesses. We continue to develop projects that guarantee the protection of our systems, adopting advanced technologies such as artificial intelligence, behavioral analysis and cloud protection, with the aim of securing our infrastructure, data and processes. With these actions, we seek not only to prevent attacks but also to detect vulnerabilities in a timely manner, ensure business continuity, and protect user privacy. A clear example of work well done in this area is the TISAX/ISO 27001 certification.

In 2024, we  
obtained the  
TISAX/ISO 27001  
certification in  
recognition of  
the development  
of effective tools  
in the field of  
cybersecurity

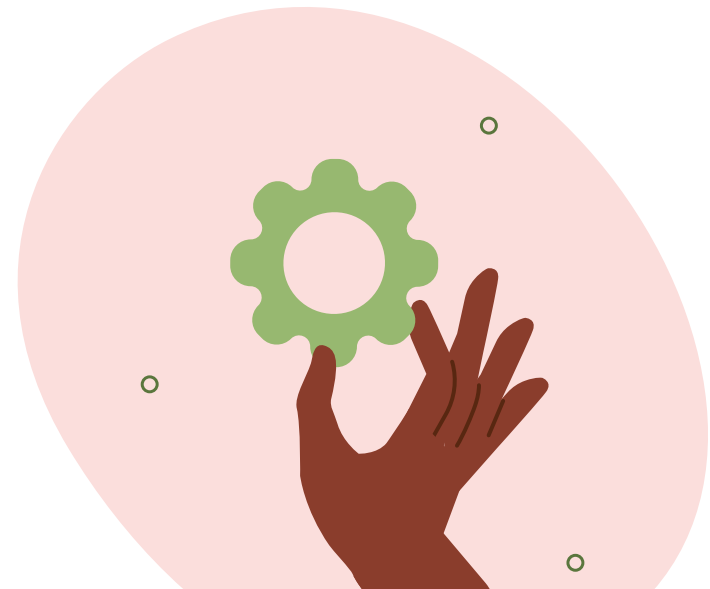
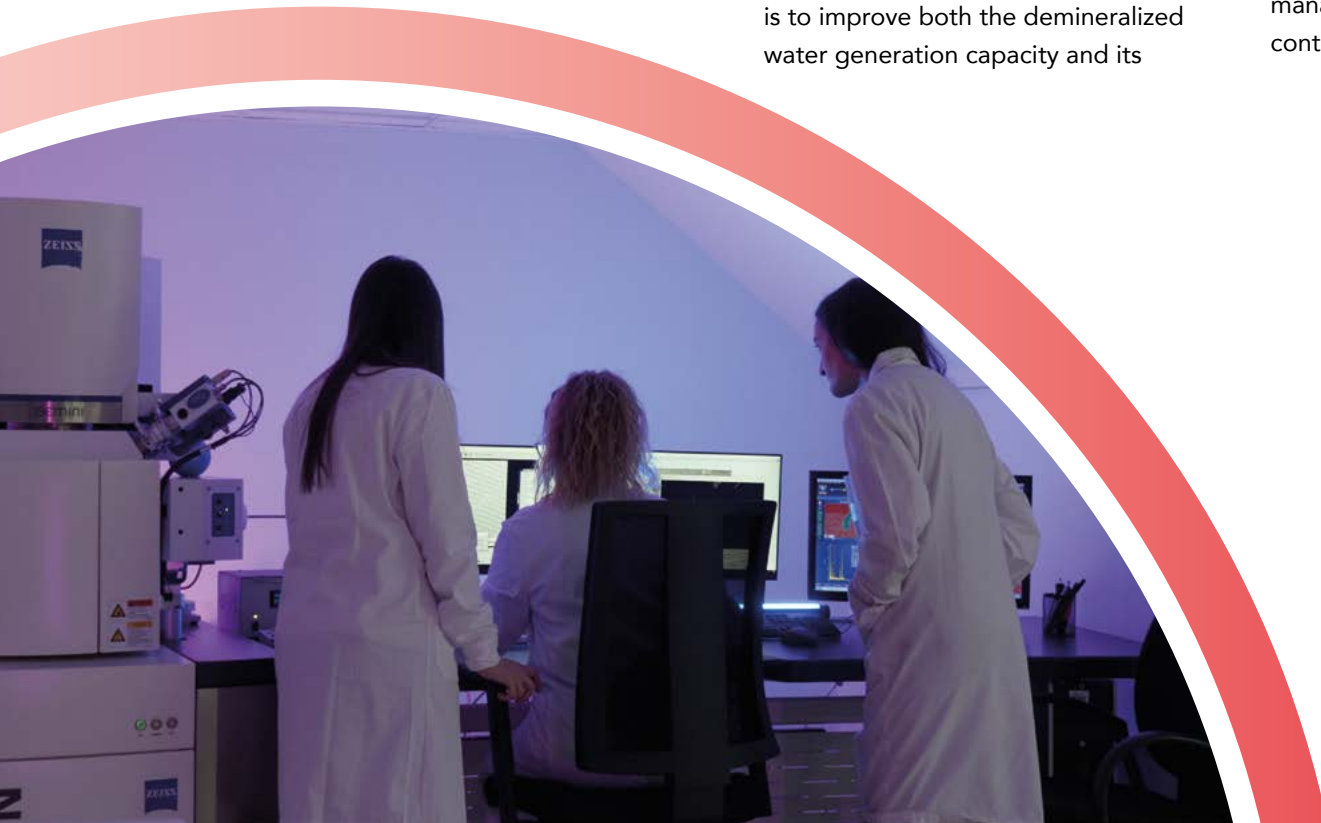


# Technology in constant evolution

In 2024, we further consolidated major strategic projects. All plants, especially those in Basauri and Vitoria, are in the process of consolidating investment objectives, which, due to their large size and technical complexity, require some time to stabilize.

Among the various actions undertaken, the most notable Capex initiatives in terms of technological renewal were the following:

- ♦ We launched the construction of a new double reverse osmosis plant to replace the old demineralization line in the continuous casting mold water circuit at the steel mill. The objective is to improve both the demineralized water generation capacity and its quality, ensuring the strict water quality standards required in the casting molds to guarantee their optimal operation.
- ♦ We completed the second and final phase of an automatic 3D laser scanning and sweeping system covering 100% of the scrap yard volume at the Basauri steel mill. This system will monitor the volume of each silo and scrap type, improve yard management and maintain reliable and continuous inventory control.



- ◆ A new Electric Arc Furnace regulation system was installed to monitor electrode operation and optimize power consumption at Sidenor's main energy-consuming facility.
- ◆ A new system was incorporated for automatically coupling argon hoses to the ladles on the tipping cart to prevent worker exposure, eliminating manual operations near ladles containing liquid steel.
- ◆ We invested in non-destructive testing equipment at all plants for surface and internal quality control using various techniques such as eddy currents and ultrasound (Circographs, phased array, etc.), with the aim of improving defect detection capabilities and updating equipment to the highest level available in the market.
- ◆ We implemented new departmental MESs (Manufacturing Execution Systems) in various production areas, modernizing and automating the quality of production reports and upgrading computer equipment and data networks, which is the responsibility of the Information Technology Department.
- ◆ We provided all factories with the necessary resources to complete the actions identified in the Strategic Quality Project, with various initiatives focused on improving process capabilities, the Quality Management System, laboratory testing equipment, etc. The objective is to strengthen processes and improve the actual quality of the products supplied, as well as customer perception regarding service, documentation, management, etc.
- ◆ We completed a three-year project focused on improving the management of internal scrap generated throughout Sidenor's processes and at all our plants, optimizing the sorting, reporting, and dispatch systems to the Basauri scrap yard at all internal generation points. The objective is to optimize their use to maximize the utilization of the alloy content and thus reduce

the consumption of ferroalloys in the steelmaking process.

It is worth noting that we continue to tirelessly address all improvements in terms of Safety, Quality, Energy Efficiency and Productivity, in line with our strategic lines of sustainability, decarbonization, and technological leadership in the sector.





# Our materiality

Materiality is determined by identifying the aspects that have a significant impact on our economic, environmental and social performance. Identifying them undoubtedly influences the decisions and expectations of our stakeholders and society in general. Materiality allows us to discern what is truly important for both our business and our stakeholders.

To identify these aspects, and to use a methodology aligned with the requirements of the Corporate Sustainability Reporting Directive (CSRD), we conducted a dual materiality analysis. Although Sidenor is not required to report under this Directive, we wanted to assess our current level of compliance with it, while ensuring

that we incorporate these issues into our management strategy, responding to both our own interests and those of society in general

This consultation process is based on principles such as inclusiveness, with a view to maintaining a constant and fluent dialogue with our stakeholders; relevance, so as to emphasize the most important aspects from the point of view of demands and expectations; and responsiveness, which aims at developing an effective strategy for each aspect identified.

## Stakeholders:



Sectoral and  
business  
associations



Universities, business  
schools and training  
centers



Third  
sector



Employees



Customers



Government and public  
administration



Suppliers



The stakeholders involved, both internal and external, have assessed the impact materiality of different aspects based on their perception of the impact of Sidenor's activities on people and the environment.

Likewise, risks and opportunities related to sustainability have been identified and assessed based on financial materiality for their impact on Sidenor's cash flow. Our dual materiality analysis has provided us with insight into the most salient aspects for stakeholders, as well as their potential impact on the company's results.




This analysis goes beyond the company's perimeter, as it encompasses the entire value chain. Furthermore, the short, medium and long-term aspects have been considered in the analysis of impacts, risks, and opportunities (IROs).

The project phases were as follows:

- 1 Identification of potentially material issues: based on the Sustainability Report, CSRD, and benchmarking.
- 2 Identification of stakeholders.
- 3 Identification of positive and negative impacts (actual and potential).
- 4 Assessment of the materiality of impacts (Impact Materiality).
- 5 Identification of risks and opportunities.
- 6 Assessment of the materiality of risks and opportunities (Financial Materiality).
- 7 Consolidation of results.



Below are the material aspects identified after the dual materiality analysis:

Pillar	Potentially material matter for Sidenor	Matter ID	CSRD correlation
 Environment	Energy consumption efficiency ☆	E1 - 1	Energy
	Climate change mitigation ☆	E1 - 2	Climate change mitigation
	Preparation to climate change ☆	E1 - 3	Adaptation to climate change
	Pollution (air, water, soil) ☆	E2 - 1	Air / water / soil pollution
	Hazardous substances ☆	E2 - 2	Substances of concern; substances of high concern
	Water cycle management ☆	E3 - 1	Water
	Protection of biodiversity	E4 - 1	Factors of direct incidence on biodiversity loss; incidence on the state of species, extension and state of ecosystems, as well as ecosystem services and related service units
	Circular economy and efficient use of resources ☆	E5 - 1	Resource inflows, including resource use; resource outflows related to products and services
	Waste management ☆	E5 - 2	Waste
 Social	Talent attraction and retention ☆	S1 - 1	Working conditions
	Staff well-being	S1 - 2	Working conditions
	Decent working conditions	S1 - 3	Working conditions
	Staff training and development	S1 - 4	Equal treatment and opportunities for all
	Inclusion, diversity and equal opportunities ☆	S1 - 5	Equal treatment and opportunities for all
	Safety and health at work ☆	S1 - 6	Working conditions
	Labor conditions in the value chain ☆	S2 - 1	Working conditions; equal treatment and opportunities for all; other labor rights
	Commitment to local community ☆	S3 - 1	Economic, social and cultural rights of groups
 Governance practices	Rights of affected groups	S3 - 2	Civil and political rights of groups
	Sustainable supply chain ☆	G1 - 1	Management of supplier relations, including payment
	Cybersecurity ☆	G1 - 2	Corporate culture
	Corporate culture	G1 - 3	Corporate culture
	Sustainable business development ☆	G1 - 4	Corporate culture
	Risk management and control systems	G1 - 5	Corporate culture
	Sustainable R&D&I ☆	G1 - 6	Corporate culture
	Fight against corruption and bribery	G1 - 7	Corruption and bribery
	Whistleblower protection	G1 - 8	Whistleblower protection
	Relations with stakeholders	G1 - 9	Political commitment and lobbyist activities

☆ Resulting subject matter



## Risk management

The Company Management has identified the main risks, associated with internal or external factors, to which we are exposed, and has a Risk Control and Management Policy which establishes a general framework for action. The objective is to reasonably ensure that all risks identified (Finances, Operations and Infrastructure, Strategy and Planning, Governance) are prevented, evaluated, submitted to continuous follow-up, and reduced to the assumption and tolerance levels defined by the Management.

Furthermore, during 2024 we updated our risk map and established a tool to facilitate its management and periodic review.

The 69 risks initially identified have been grouped into 25, which have been evaluated by impact on results or on the achievement of the Strategic Plan, and by probability of occurrence.

As a result, we have identified 10 first-level risks, which are the most actively managed due to their relevance. These are:

### Operations and infrastructure



#### Having the necessary talent:

Managing the company's growth and sustainability requires the consolidation and development of people. Working conditions must be able to attract the best professionals. To achieve this, we design plans and implement strategies for both internal development and external recruitment.



**Labor conflicts:** Social peace is key to achieving a good work environment, as well as maintaining productivity, quality and end-customer satisfaction.



**Cyber risks:** Information systems can fail, be damaged or be attacked, compromising the company's activity and affecting or preventing its normal operation. Therefore, significant work is needed to improve system security and anticipate how to respond in the event of a cyberattack.



#### Shortage in the scrap market:

Due to new European environmental regulations, many blast furnaces will have to be converted into electric furnaces, generating greater demand for scrap from steelmakers who currently do not use it.



## Strategy and planning



**Market changes that may impact sales:** Market trends or our customers' strategies may change, which is why the company must be flexible and prepared for these changes.



**Dependence on certain sectors:** Considering that the automotive industry is an important market, we must be alert to changes that may occur in the European industry based on future European environmental requirements.

## Governance



**ESG, adaptation to new environmental regulations:** Sustainability regulations are increasing, as are the demands from investors and financiers. Furthermore, the impact of climate change on our business has led us to begin a process of analyzing the risks and opportunities arising from the climate transition.



**Regulatory non-compliance:** Achieving the company's objectives must be done in compliance with all legal provisions, which requires staying abreast of any new regulations that may affect the company and adapting to the new requirements, thus minimizing the risk of non-compliance and avoiding the negative impact it would have on the company.



**Volatility in the energy and raw materials markets:** The continuous increase in gas and electricity prices that had begun in the final months of 2021 worsened in March 2022 with the war in Ukraine, reaching historic highs in European markets and generating significant volatility in the prices of these supplies that are essential for our process.



**Financial risk:** Credit risk and liquidity risk are issues that are managed with due rigor.

Given this situation, we are working to find alternatives and adopt measures that allow the company to minimize or avoid the impact of these risks on the business.

Following the CSRD analysis, we have been able to confirm that our first-level risks are reflected in the ESRS standards, which have been deemed material based on the dual materiality to report, and have been considered among the most significant impacts, risks, and opportunities.

We are working to find alternatives and adopt measures that allow the company to minimize or avoid the impact of these risks on the business







# Environmental challenges

Environmental management at Sidenor is integrated into all our operations and teams to achieve continuous improvement in our performance, allowing us to minimize the environmental impacts of our activities and products.

To this end, we have a fully decentralized Management System across the entire organization, aligned with ISO 14001 and ISO 50001 standards, which includes the

analysis of all our industrial activities. Through this System, we guarantee the evaluation, planning and monitoring of all environmental aspects of our production process.

Regarding the Steel Life Cycle Assessment, we apply environmental criteria in all production phases: design, supplier selection, raw material optimization, energy consumption reduction, waste management and process improvement.

Furthermore, in 2024 we took an important step in contributing to the objectives of the Paris Agreement by committing to the Science Based Targets (SBT) targets, a path to decarbonize our operations and become a net-zero emissions company.



## Steel life cycle

# 01

### STEEL DESIGN PHASE

Through our R&D&I department and in collaboration with our entire value chain, we work from the design stage of new steels in order to create increasingly sustainable and efficient products and processes.



### RAW MATERIAL

We use recycled or reused scrap as our main raw material. We thus contribute to the recycling of around 800,000 tons of metallic waste per year.

# 02

# 03

### PRODUCTION PROCESS

We invest time and resources in order to:

- ◆ Improve energy efficiency and optimize raw material and natural resource consumption.
- ◆ Search for new ways of recovery and reuse for all resources.
- ◆ Optimize the production process and logistics.



### END OF LIFESPAN

Steel is a 100% recyclable product.

# 04

## Our roadmap

**2021**

**438 KgCO<sub>2</sub>/t steel**

SBT (Science Based Targets) reference year

**2023**

**276 KgCO<sub>2</sub>/t steel**

Verified by an independent third party according to the Greenhouse Gas (GHG) Inventory of direct (Scope 1) and indirect (Scope 2 and 3) emissions in accordance with the GHG Protocol standard

- ◆ 75% of energy consumption from renewable sources
- ◆ Approval of new SBT climate change targets

**2024**

**272 KgCO<sub>2</sub>/t steel**

- ◆ Starting operation of photovoltaic parks acquired by Sidenor
- ◆ New proprietary environmental footprint calculation tool
- ◆ 78% of energy consumption from renewable sources

**2025**

- ◆ Commitment to sourcing 100% of electricity from renewable sources
- ◆ Recovery of 90% of the waste generated

**2030**

- ◆ Process electrification so as to reduce dependence on combustion processes
- ◆ 100% replacement of fossil coal
- ◆ Technical validation of hydrogen use in combustion processes
- ◆ Recovery of 95% of the waste generated

**2033**

Climate change targets compliance date, according to SBT

**2040**

Replacing 50% of natural gas with renewable gases (H<sub>2</sub>, biomethane) in combustion processes

**2050**

Climate neutrality

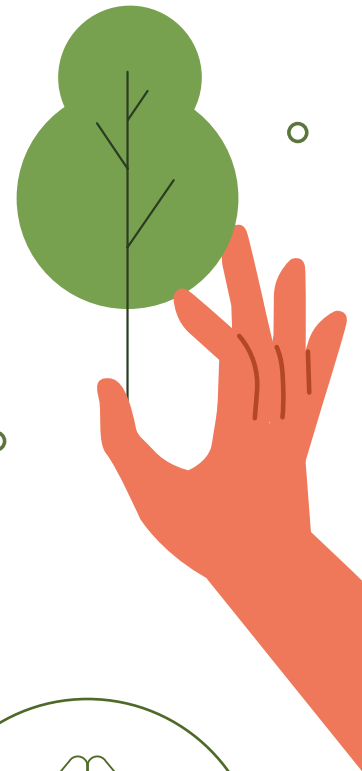
**2024-2040**



Optimizing  
process efficiency  
and energy use



Designing more  
sustainable steels



# Climate change

Global climate change is one of the challenges of our time, which therefore requires collective action to mitigate the risks it poses, such as the accumulation of greenhouse gases in the atmosphere.

Aware of this, at Sidenor we are exploring alternatives to fossil fuels in order to improve energy efficiency and optimize our production systems. This is our formula for undertaking a gradual, structured and planned decarbonization process over time, which will help us:

- ◆ Fulfill our internal commitment to continuous improvement, as reflected in our *Integrated Health and Safety, Environment, Quality, Energy, and Information Security Policy*
- ◆ Anticipate and adapt to the climate risks that affect our business.
- ◆ Seize the opportunities offered by upcoming changes.

- ◆ Measure the financial impacts of climate change according to different scenarios and possible futures.
- ◆ Respond to the expectations of today's society, which demands real solutions.
- ◆ Meet the expectations of our stakeholders in terms of climate information and transparency, which is primarily demanded by our customers.
- ◆ Manufacture sustainable and environmentally friendly products.
- ◆ Improve our competitiveness in a business environment that increasingly values sustainability and environmental responsibility.

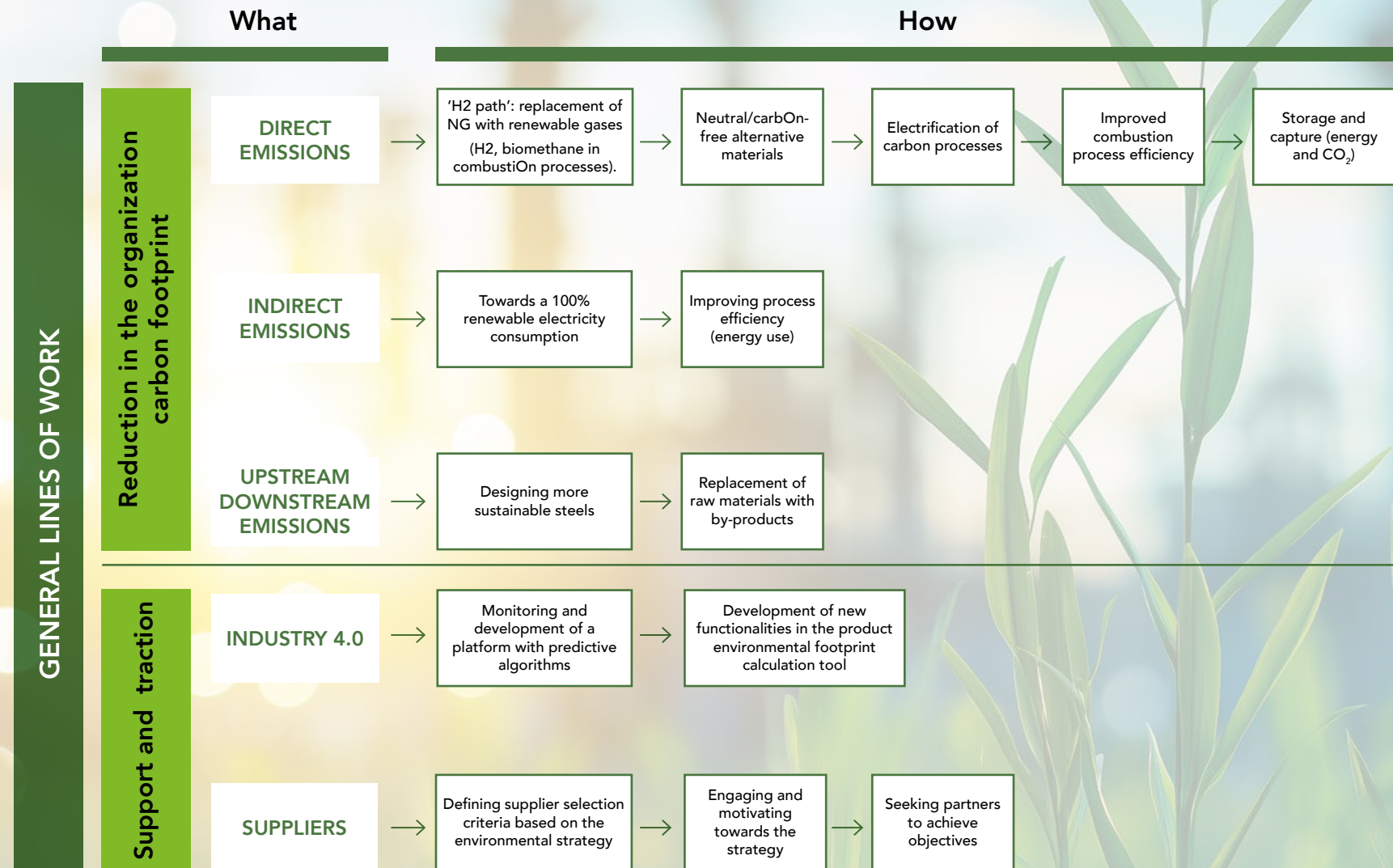
Fundamental to this commitment is the Annual Climate Change Plan, which we have been developing for several years and which identified 153 new actions in 2024.

At Sidenor, we have the Annual Climate Change Plan, the guide that allows us to progress in this area





## Decarbonization strategy





## The route to carbon neutrality

With a view to the goal of decarbonizing the economy by 2050, we, as companies, must take an active and immediate role, redefining our production processes and adopting sustainable strategies that encompass the entire life cycle of our products. Only with a firm commitment and concrete actions will we achieve a real impact in the transition to a cleaner future.

### SBT targets

To drive this transformation, in 2023, we joined the Science Based Targets Initiative (SBTi), an international reference framework that outlines a clear roadmap for reducing greenhouse gas (GHG) emissions, in line with the 2015 Paris Agreement.

To materialize this commitment, we defined and submitted a series of concrete targets to the SBTi, which is responsible for establishing the criteria and methodologies for compliance. In January 2024, our targets were officially approved and validated, marking a key milestone in our sustainability strategy and consolidating our role in the fight against climate change.



## Our milestones for 2033

### Scope 1 & 2 objectives

Reduction in **absolute emissions** by **61.5%** in 2033 compared with 2021 as a base year.

### Scope 3 objectives

Reduction in **absolute emissions** by **32.5%** compared with 2021 as a base year.



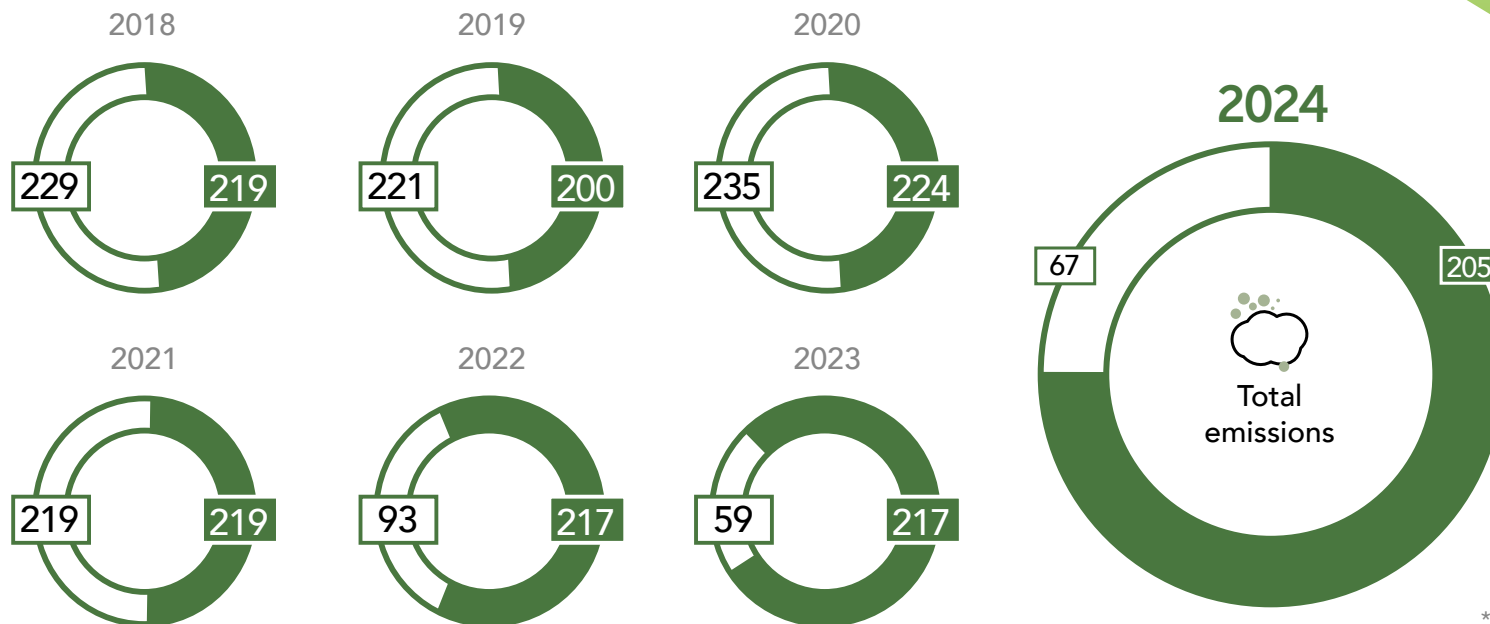
## CO<sub>2</sub> Emissions Index

Internally, we use the CO<sub>2</sub> Emissions Index, defined as follows: KgCO<sub>2</sub> Scope 1 + Scope 2 / tons of steel produced, as a baseline indicator for assessing performance in terms of emissions.

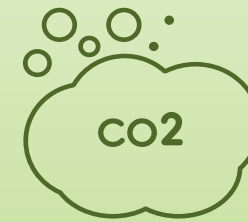
During 2023 and 2024, we achieved a significant reduction in this index, thanks to the implementation of energy efficiency measures and our decision to procure energy from renewable sources.

Evolution of emissions (Kg CO<sub>2</sub>/t steel)

2018	2019	2020	2021	2022	2023	2024
448	421	459	438	310	276	272



\*Emission figures in Kg CO<sub>2</sub>/t steel



### Scope 1

Direct greenhouse gas emissions

Emissions from combustion in heaters, furnaces, vehicles, etc., owned or controlled by the entity in question.

### Scope 2

Indirect greenhouse gas emissions

Emissions linked to the generation of electricity purchased and consumed by the organization.



## Carbon footprint

Every year, we calculate our carbon footprint, using 2021 as the base year for future comparisons. Each year, the carbon footprint results and the calculation process are verified by an independent third party.

In 2024, we calculated the carbon footprint for the period from January 1 to December 31, 2023.

Carbon footprint (t CO <sub>2</sub> e)	2024	2023
<b>Scope 1: Direct GHG emissions <sup>(*)</sup></b>	143,272	155,801
<b>Scope 2: Indirect GHG emissions from imported energy <sup>(*)</sup></b>	46,841	42,368
<b>Scope 3: Other GHG emissions <sup>(*)</sup> <sup>(**)</sup></b>	-	526,147

\* Emissions currently updated and verified according to the GHG PROTOCOL.

\*\* Scope 3 considers GHG emissions corresponding to:  
 3.1 Purchase of goods and services; 3.2 Capital goods; 3.3 Combustion and activities related to energy (market based);  
 3.4 Upstream transport and distribution; 3.5 Waste; 3.6 Business travel; 3.7 Commuting; 3.9 Downstream transport and distribution; 3.10 Processing of sold products; 3.12 End of life of sold products.

In October 2024,  
we had our 2023  
footprint data  
successfully  
verified by an  
independent  
third party, in  
accordance with  
the Greenhouse  
Gas Protocol



## Product environmental footprint

In 2019, we became the first state-owned company to implement our own certified system for calculating the environmental footprint of our products, based on the principles of Life Cycle Assessment. Two years later, in 2021, we expanded the calculation to all our plants, which, to date, has allowed us to measure the environmental impact of more than 800 steel families and more than 25,000 product references.

In 2024, we went a step further and developed our own calculation tool (SIDECO2) to measure the environmental footprint of all our products.

The process of preparing environmental product declarations, on which our Environmental Footprint Calculation tool is based, is verified by an independent third party, in accordance with the 'EPD® System', as well as the Product Carbon Footprint management system according to the UNE-EN ISO 14067:2019 standard and the product category rules 'PCR

2015:03 Basic iron or steel products & special steels, except products v2.0'.

Thanks to this tool, we are able to assess the environmental profile of our steel products. This involves evaluating five environmental impact categories, including the global warming potential and 12 indicators related to resource consumption and waste generation. Our calculation tool allows us to prepare environmental declarations for all our products.

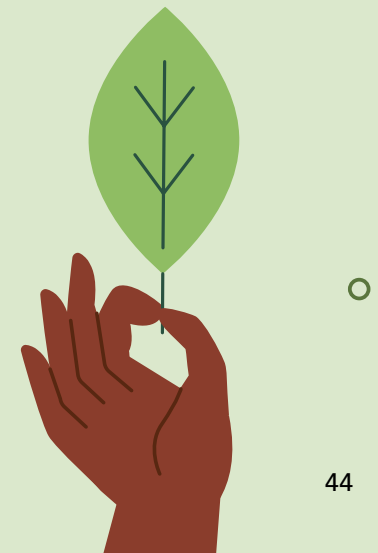


## Environmental Product Declarations

The Environmental Product Declaration (EPD) is a standardized document that details a product's environmental impact. In addition, it offers a comprehensive, third-party-verified view of CO<sub>2</sub> emissions throughout a steel's lifecycle, from design to material extraction, manufacturing, use, and end-of-life.

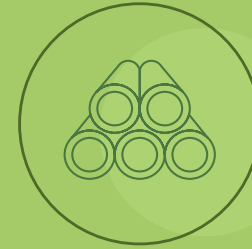
EPDs provide our customers with verified environmental data, ensuring transparency and enabling them to make informed decisions when selecting products that meet their sustainability objectives. In 2024, we published three new environmental product declarations on the EPD PORTAL, which comply with the standards of the International EPD® System and the requirements of ISO 14025. We thus added three new EPDs to the one we had already published in 2022.

Throughout 2025, we will publish further EPDs for our most representative steels.



By 2025, we plan to add new features to this tool and thus offer our customers the opportunity to reduce their own footprint. To this end, we will include the ability to simulate lower-impact processes and design new steels, in collaboration with our R&D department.

Through our  
Environmental  
Footprint  
Calculation tool,  
we are able  
to assess the  
environmental  
profile of our  
steel products  
from a life-cycle  
perspective



## Sustainable Steel and Neutral Steel

We are one of the leading suppliers of special steels with a low carbon footprint and apply a lifecycle approach to reduce the environmental footprint of our products. We also offer our customers the option of purchasing Sustainable Steels and Neutral Steels.



**sidenor sustainable  
steel**

### Sidenor Sustainable Steel

We are moving toward a more sustainable future by marketing steel manufactured in an electric arc furnace from 100% recycled scrap and produced with 100% renewable electricity.



**sidenor neutral  
steel**

### Sidenor Neutral Steel

In addition to the attributes of sustainable steel, we also neutralize CO<sub>2</sub> emissions that could not be eliminated through the acquisition of carbon credits in voluntary markets.

The renewable origin of the electricity used in the manufacturing process is certified with Guarantees of Origin (GDOs).

## We make it sustainable



## 🕒 Commitment to alternative energy sources

### Hydrogen, a sustainable source of energy

To achieve the objectives defined in our climate change strategy, it is necessary to explore alternative energy sources to natural gas, hydrogen (H<sub>2</sub>) and biomethane being the preferred energy vectors for the decarbonization of combustion processes.

In this context, we are collaborating on various technological research projects with the aim of:

- ◆ Converting all combustion processes of Sidenor to hydrogen.
- ◆ Eliminating 100% of natural gas combustion emissions.
- ◆ By 2025, conducting industrial tests with hydrogen at our ladle heating facilities.



#### H-ACERO 2 project

- ◆ **Objective:**  
To contribute to the decarbonization of the steel sector by using hydrogen as an alternative energy source at various points in the steel production process.
- ◆ **Project duration:**  
3 years.



#### DESKAR30 project

- ◆ **Objective:**  
To replace fossil coal consumption with alternative materials such as biochar or biomass, so as to decarbonize the steelmaking process.
- ◆ **Project duration:**  
3 years.



#### IS2H4C project

- ◆ **Objective:**  
To reduce natural gas consumption in ladle heating combustion processes by using oxygen/gas or green hydrogen as fuel.
- ◆ **Project duration:**  
4 years.

## Biogenic products

We currently use approximately 8,500 tons of coal in our various steelmaking processes, which accounts for more than 10% of our total emissions.

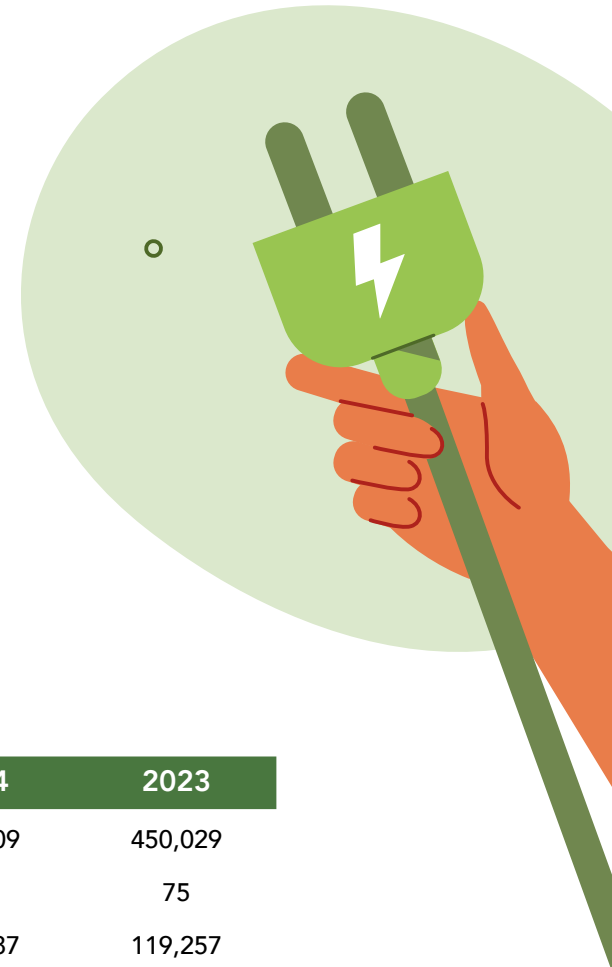
Since 2023, we have been using coal with a 30% renewable biomass content. During 2024, we conducted tests with different types of non-fossil coal. To make progress in replacing fossil coal, we will need to address process and equipment adaptations over the coming years to achieve the goal of 100% replacement with emission-neutral materials by 2030.

## Green energy

In 2021, we designed a green energy procurement strategy that will ensure long-term sustainability and contribute to reducing Scope 2 emissions. Already in 2023, we committed to consuming 100% renewable electricity, starting in 2025. To achieve this objective, our strategy is based on three lines of action:

- ◆ Signing long-term renewable energy contracts or PPAs (Power Purchasing Agreement).
- ◆ Acquiring photovoltaic parks that guarantee a renewable energy supply.
- ◆ Purchasing Green Energy Certificates or Guarantees of Origin.

Thanks to the actions implemented in these areas, we managed to significantly reduce Scope 2 emissions during 2024, thus getting increasingly closer to our goal of achieving 100% renewable electricity consumption by 2025.



Green energy and CO <sub>2</sub> emissions avoided	2024	2023
Green energy (MWh)	457,309	450,029
Green energy vs. total consumption (%)	78	75
Emissions avoided (tCO <sub>2</sub> )	121,187	119,257

# Energy efficiency

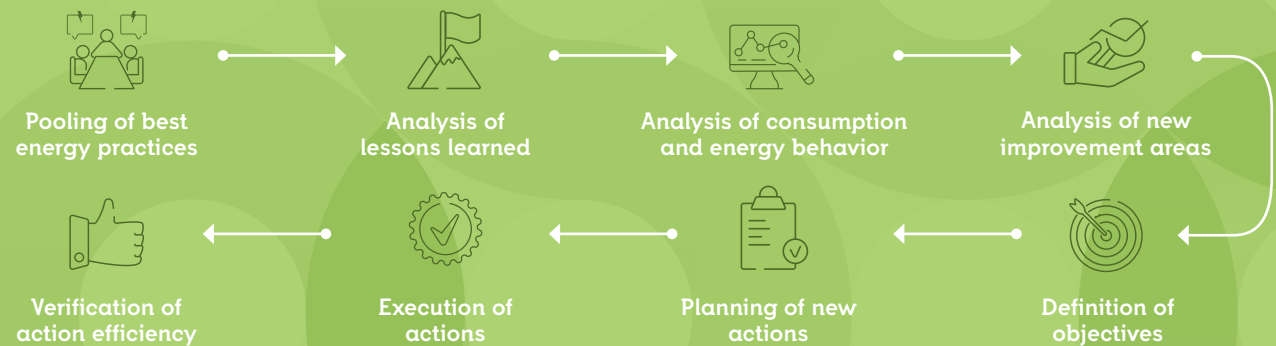
In a scenario where the energy crisis is setting the global agenda, improving energy efficiency is no longer just a goal; it is an essential condition for the industry to remain competitive. For us, this transformation is a key pillar of our decarbonization strategy.

Within the framework of the Annual Climate Change Plan, we have outlined a series of initiatives designed to optimize energy consumption from six perspectives:

- ◆ Enhanced equipment and installations.
- ◆ Digitization in order to ensure day-to-day management and improvement.
- ◆ Ensuring product quality so as to avoid unnecessary refusals and reprocessing.
- ◆ Production planning: improvement regarding the saturation of facilities, optimization of productive routes, etc.
- ◆ Process review and redesign.
- ◆ Management tools to ensure maintenance, deviation management and process analysis.

The process of developing and implementing the efficiency plan is summarized in the following table:

## Energy efficiency optimization at Sidenor



Energy	2024	2023
Electrical energy consumption (MWh/year)	586,339	598,277
Efficiency (MWh/t produced)	835	834
Natural gas consumption (MWh/year)	556,489	609,259
Efficiency (kWh/t useful steel)	793	850



# Circular economy integrated in our processes

In a world where efficiency and sustainability make the difference, we see circular economy as a strategic pillar when it comes to boosting our competitiveness. By optimizing the use of resources and minimizing the environmental impact of our products and processes, we achieve a more efficient and responsible model. We rely on a comprehensive approach to the steel lifecycle, covering each stage of the value chain:

- ◆ Design and production.
- ◆ Efficient use of resources.
- ◆ Recycling, thus ensuring a second life for products.

In line with this commitment, we are part of the Pact for a Circular Economy, an initiative promoted by the Ministries of Agriculture and Fisheries, Food and Environment, and the Ministry of Economy, Industry, and Competitiveness. Through this alliance, we work alongside the country's main economic and social stakeholders to accelerate the transition toward a more sustainable, innovative, and competitive economic model.

We are part of the Pact for a Circular Economy promoted by the Ministries of Agriculture and Fisheries, Food and Environment, and Economy, Industry, and Competitiveness



This approach allows us to:



Manufacture products with a smaller environmental footprint.



Improve economic results by reducing resource use.



Ensure the security of supply of essential resources.



Fight climate change.



Open new markets and sources of financing.

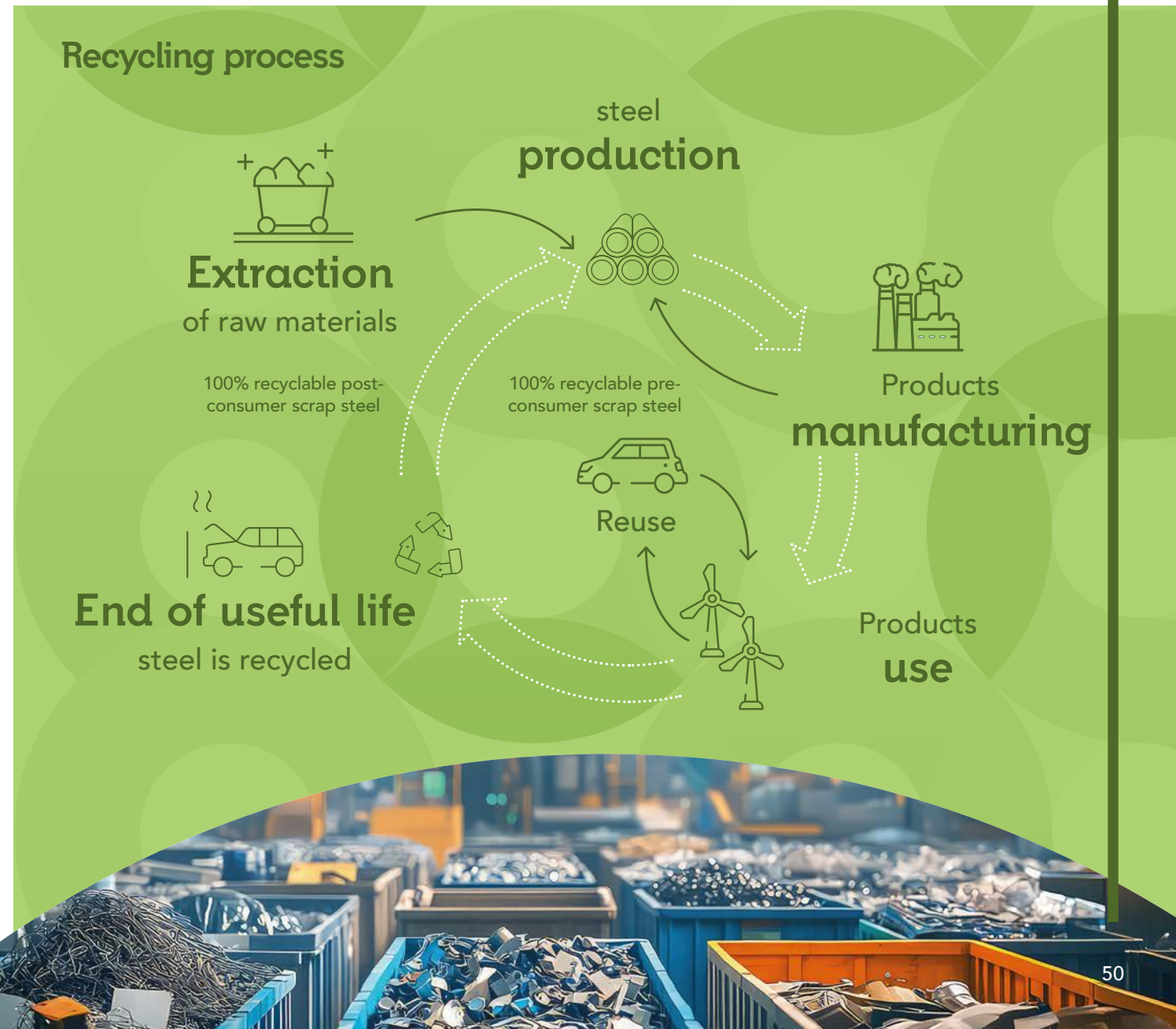


## ● Recycling – the basis of our business

At Sidenor, all the steel we produce comes from scrap. By recycling metal waste from various industries and products at the end of their useful life cycle, we optimize the use of resources, reduce emissions and promote the conservation of natural resources. Thanks to steel's ability to be recycled infinitely without losing its properties, we are able to extend its life cycle and sustainably maintain its value.

This strategy has made us one of the leading recyclers of ferrous waste, with a consumption of more than 800,000 tons of recycled material in 2024.

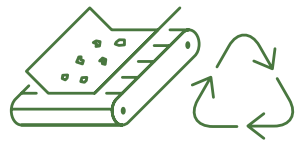
Furthermore, as part of our commitment to safety and sustainability, we comply with the Radiological Surveillance Protocol, which establishes strict requirements to ensure that recycled metal materials are free of radioactive contamination, thus preventing any type of incident.



## Waste management

We have implemented a circular economy model based on responsible waste management practices aimed at segregation, reuse, recycling and recovery.

In 2024, we recovered more than 3,000 tons of stainless black slag, allocating it to landfills for the construction of internal roads. We also implemented best practices for the segregation of steelworks cleaning waste, allowing for the effective separation of white slag from other materials. As a result, we recovered more than 7,000 tons of waste that were previously disposed of in landfills.



Total  
**waste recovered**  
in 2024

**155,914 tons**

### Most important waste recovered

Waste (t)	2024	2023
Black slag (steel aggregates)	82,000	92,483
Stainless black slag	3,224	-
White slag	27,926	23,852
Mill scale	15,950	16,545
Steel mill dust	14,448	15,654
Refractories	8,563	4,801
Metallic powders	1,318	1,023

**Basauri, Reinosa  
and Azkoitia  
recovery %  
>90%**

### Objectives and challenges

Recovering:

**90%**  
of our waste  
by **2025**



**95%**  
of our waste  
by **2030**

### Committed to circular economy

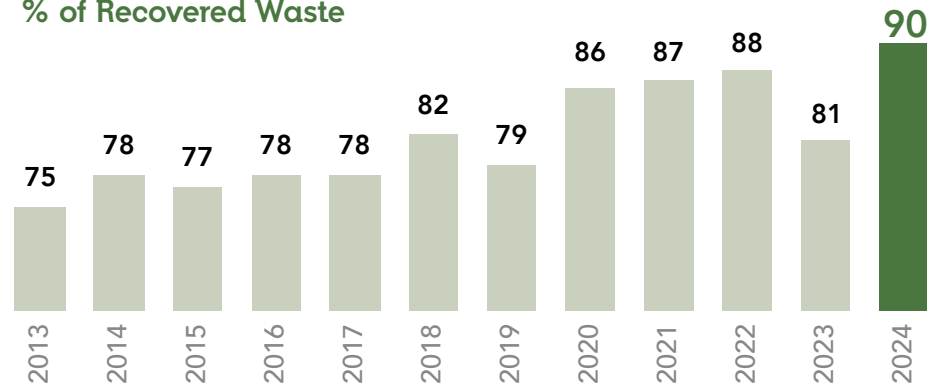
Ninety-five percent of our waste is generated at the Basauri plant, which has the greatest impact. In 2023, the recovery trend slowed due to the impossibility of recovering stainless slag, but in 2024, a recovery destination was found for this waste, increasing the recovery percentage by 9% compared to 2023.

In 2024, 173,000 tons of waste were generated (206,529 tons in 2023). Of this, 155,524 tons were non-hazardous waste and 17,476 tons were hazardous.

Of the total non-hazardous waste generated, 52% was black slag, which is recovered into steel aggregates. Various CE Marking certificates are available for this product, covering its use as granular layers, bituminous mixtures and concrete.

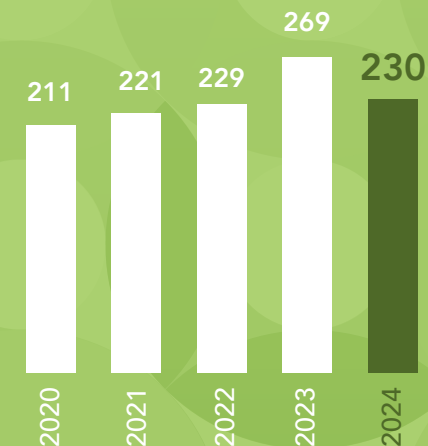
Waste	2024	2023
Non-hazardous waste (t)	155,524	188,617
Hazardous waste (t)	17,476	17,912

### % of Recovered Waste



### Waste management index (WMI)

Kg of waste generated among tons of liquid steel



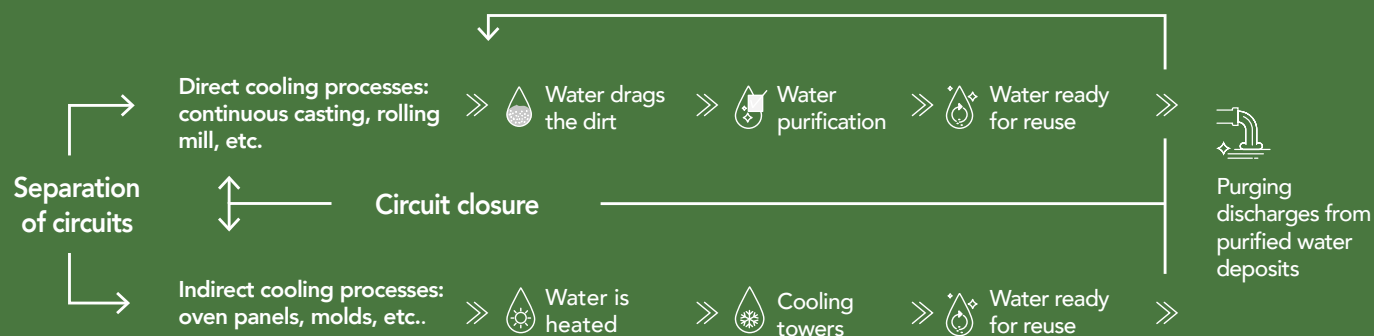


# Water consumption

Water is an essential element in steel production, where it not only acts as a coolant for the equipment but also for the product itself. We manage this essential resource with the utmost care, applying responsible and preventative management measures. Following environmental best practices, we have incorporated into our processes the three lines of action considered by the European Union to be the most advanced ones to ensure the sustainability of our operations.

- ♦ Separation of direct (dirty) cooling water circuits from indirect (clean) ones.
- ♦ Implementation of circuit closures to allow the reuse of as much water as possible.
- ♦ Optimization of water purification systems to prevent contamination of the receiving environment and facilitate internal reuse.

## Water collection



Water Management	2024	2023
Specific water consumption (m <sup>3</sup> /t.a.l)	1.39	1.60
Water consumption	1,045,489	1,227,956
Specific water discharge (m <sup>3</sup> /t.a.l)	0.84	1.10
Water discharge (m <sup>3</sup> )	634,876	842,944

## Over the past 5 years



**M€ 2.7**  
investment



More than  
**200,000 m<sup>3</sup>**  
landfilling reduction

### Continuous improvement

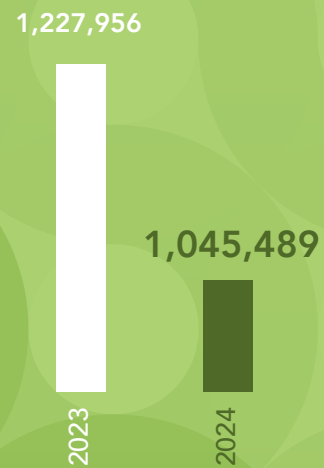
It is worth noting that our main production centers are located on riverbanks due to our need for water to carry out our production processes. Aware of the importance of this resource, we are continuously working to use water efficiently in our production.

In 2024, at the Vitoria plant, we continued our efforts to improve water use in our processes, achieving a 40% reduction compared to 2023. This improvement, along with others

implemented at the remaining plants, represents a reduction of 180,704 m<sup>3</sup> in total water consumption at SIDENOR.

The actions that contributed to these results primarily included the repair of leaks that caused mixing between the direct and indirect cooling water circuits.

Water consumption 2023-2024 (m<sup>3</sup>)



# Emissions

Our plants have modern smoke extraction and purification systems designed to capture the particles generated during the production process. This filtered material, which was previously intended for landfill, is now a by-product used as a raw material in the zinc recovery industry.

In addition, we have continuous particle meters at the steelworks' main emission sources to ensure environmental control and performance. These meters are connected to the Basque Country Surveillance network, allowing us to constantly and accurately monitor our emissions and ensure compliance with the most demanding environmental standards.

## Smoke emissions



**M€ 1.9**  
investment



Steel mil dust  
**14,447 t/year**  
(zinc recovery)

## Chemical products

We have implemented a management system covering the use of chemical substances throughout the organization. The objective is to reduce the use of hazardous substances in all production processes and ensure their proper storage.

The system covers the purchase, use, storage, and management of waste.



## Biodiversity

We are a company that is committed to conserving the natural environments in which we operate, especially those with ecological, scenic, scientific or cultural value, even if they are not protected areas. Through our initiatives, we transform and restore these spaces, offering the

community new areas for their use and enjoyment.

A prominent example of these efforts is the transformation of the former Basauri heap, which was converted into a 45,000 m<sup>2</sup> park at the end of 2017.

## Environmental and energy management system

Through the implementation of the ISO 14001 and ISO 50001 standards, we developed a Management System to measure and mitigate the environmental and energy impacts of our operations.

ISO 14001 allows us to identify, assess, and control the environmental aspects of our operations. ISO 50001 helps us continuously improve energy efficiency and reduce our carbon footprint. Together, these standards facilitate compliance with environmental and energy regulations, while promoting a culture of continuous improvement and sustainability in all our activities.

During the first quarter of each year, our Environment and Energy Department leads dedicated meetings with each production area to establish the annual action plan based on the results achieved and those expected for the new fiscal year.

Environmental program and monitoring (No.)	2024	2023
<b>Environmental Plan actions</b>	1,541	1,232
<b>Circular Economy Plan actions</b>	186	239
<b>Climate Change Plan actions</b>	153	217
<b>Internal audits</b>	105	110





## ● Raise awareness to keep moving forward

The efficient use of resources depends on everyone. Therefore, awareness among the entire workforce is vital to achieving the company's environmental goals.

In this regard, each department annually reviews the training needs for each position profile, as well as the level of compliance for each worker. Based on these needs, we then develop the company's annual training plan, ensuring the professional development and skills updating of all staff.

These actions aim to:

- ◆ Improve the environmental and energy performance of the positions whose tasks may directly or indirectly impact these two aspects.
- ◆ Raise awareness and foster motivation among employees regarding environmental and energy issues.
- ◆ Promote culture and alignment with the organization's environmental policies and objectives.

Training hours (No.)	2024	2023
Awareness training for new employees	100	349
Special training in environmental management for Sidenor's professionals	247	224



# Investing in environment and energy

We assume an active responsibility regarding environmental and energy sustainability, allocating human resources, time, and budget to this end. Thus, in the last decade, we have invested more than €40 million in projects that promote respect for the environment and the efficient use of energy. With this, we aim to improve our performance day by day by optimizing equipment and processes, as well as to enrich our organizational culture through training and awareness programs at all levels of the company.

We do not have provisions for potential environmental risks, as we do not consider that significant contingencies related to litigation, compensation, or other items are present.

There is growing interest throughout the value chain in incorporating sustainable and resilient business models. Thus, in 2024, we continued to analyze the risks and opportunities arising from the climate transition that affect our business, a process we began in 2022 following the TFCF (Task force on Climate-related

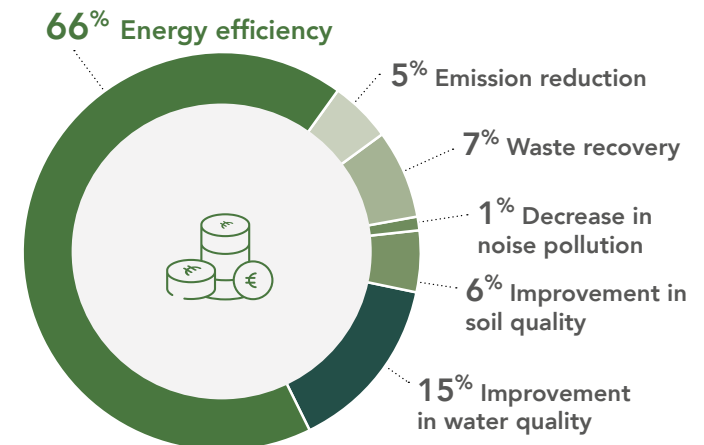
Financial Disclosures) methodology. The objective of this initiative is to properly manage risks and opportunities, focusing on four areas: governance, strategy, risk management, as well as metrics and objectives, in order to:

- ◆ Anticipate and adapt to climate risks that affect the business, as well as take advantage of the opportunities they may offer.
- ◆ Measure the financial impacts of climate change according to different scenarios and possible futures.

Furthermore, since we are affected by Law 26/2007 on Environmental Liability, we submitted the relevant risk analyses and declarations of responsibility to the authorities for the provision of financial guarantees for priority-2 facilities. We also maintain civil and environmental liability insurance to mitigate the consequences of any incident that may arise from our activities.

In 2024, as in 2023, no complaints were received or proceedings initiated against Sidenor that could result in the company's environmental liability.

## Distribution of investments over the last 10 years



# EU taxonomy

The EU Green Deal has established the goal of reaching CO<sub>2</sub> neutrality in Europe by 2050. For this purpose, the European Commission has defined a series of measures as part of the action plan "Sustainable Finance" in order to channel capital flows towards environmentally sustainable activities. The EU Regulation (EU) 2020/852 ("Taxonomy Regulation"), which entered into force on July 12th, 2020, classifies economic activities as environmentally sustainable if they contribute to one of the European Union's six environmental objectives, without causing any significant harm to any of the other five objectives.

## Eligibility assessment

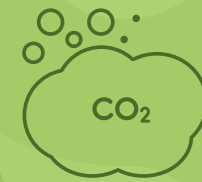
The European Commission, in its Delegated Regulation (EU) 2021/2139 supplementing Regulation (EU) 2020/852, establishes the technical screening criteria to define the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and whether that economic activity causes no significant harm to any of the other environmental objectives.

## Sidenor: NACE 24.10 code

The manufacturing of iron and steel in electric arc furnaces belongs to the eligible activities (defined as activities which might be environmentally sustainable).

According to the technical criteria, our activity is deemed to contribute to climate change mitigation if the scrap input in the furnace is not lower than 70% of the production of high alloy steel. Sidenor largely complies with this threshold.

## EU environmental objectives



Climate change  
**Mitigation**



**Adaptation**  
to climate change



Sustainable use and protection  
of **water and marine**  
**resources**



Transition to  
**circular economy**



**Contamination**  
prevention and **control**



Biodiversity and **ecosystems**  
**protection** and recovery



03

WE STRENGTHEN

SOCIETY



# Talent for today and tomorrow

People are at the heart of everything we do. Recognizing their immense value, we prioritize the needs of our staff to foster a safe, engaging, and comfortable work environment. We also focus on promoting diversity, equality, inclusion, and solidarity, both within our organization and in society at large.

**1,901 professionals**



**1,696**  
men



**205**  
women



## The value of our team

At Sidenor, we continue to grow and, at the end of 2024, our workforce totalled 1,901 professionals (compared to 1,840 in 2023). Their commitment, responsibility and talent are essential to the success and identity of our company.

To move forward together, we focus on offering the best possible place to work. Given the nature of our business, occupational risk prevention is essential, which is why we are continually reviewing and updating the safety systems at our

facilities and in the activities we carry out. This allows us to ensure the integrity and health of our team.

We consider integrity a supreme value. Therefore, we prioritize the health and safety of people, environmental protection, and the quality of our products and services, ensuring that no emergency situation, production, or results can compromise it. To guarantee this, we have implemented a Prevention Plan executed in accordance with the Human Resources Plan.

Furthermore, we promote equality through policies that ensure equal opportunities for all people and reject any type of discrimination based on sex, race, or religion. In fact, a second Equality Plan has been negotiated in this area following the expiration of the first.

To move forward together, we focus on offering the best possible place to work

The well-being and ongoing development of our team are also our priority. Therefore, we offer career plans and ongoing training so our professionals can develop their full potential and continue to grow. We also implement succession plans so that more experienced employees can pass on their knowledge and experience to the next generation.

We also encourage fluid and ongoing communication with our staff through multiple channels such as message boards, information boards, the intranet, in-person meetings, events, and the complaints channel. We also maintain constant dialogue with union representatives in negotiating committees.

## Our staff in figures\*

	2024		2023	
	NO.	%	NO.	%
<b>Spain</b>	<b>1,901</b>	<b>100%</b>	<b>1,840</b>	<b>100%</b>
Permanent contracts	1,642	86%	1,562	85%
Temporary contracts	259	14%	278	15%
Women	205	11%	188	10%
Men	1,696	89%	1,652	90%
Full-time contracts	1,767	93%	1,708	93%
Part-time contracts	134	7%	132	7%
Age category below 30	152	8%	141	8%
Women	39		32	
Men	113		109	
Age category between 30 and 50	1,075	57%	1,192	65%
Women	121		126	
Men	954		1,066	
Age category above 50	674	35%	507	28%
Women	45		30	
Men	629		477	

\*Employment at Sidenor at the end of 2024 and 2023



## Average employment at Sidenor

	2024		2023	
	NO.	%	NO.	%
<b>Spain</b>	<b>1,922</b>	<b>100%</b>	<b>1,906</b>	<b>100%</b>
Permanent contracts	1,622	84%	1,567	80%
Temporary contracts	300	16%	339	20%
Women	203	11%	192	10%
Men	1,719	89%	1,714	90%
Full-time contracts	1,784	93%	1,770	93%
Part-time contracts	138	7%	136	7%
Age category below 30	137	7%	142	7%
Women	35		32	
Men	102		110	
Age category between 30 and 50	1,091	57%	1,234	65%
Women	123		129	
Men	968		1,105	
Age category above 50	694	36%	530	28%
Women	46		32	
Men	648		499	

Four dismissals occurred in 2024: two on disciplinary grounds and two for geographic mobility; eight dismissals occurred in 2023: one on disciplinary grounds and seven on objective grounds.

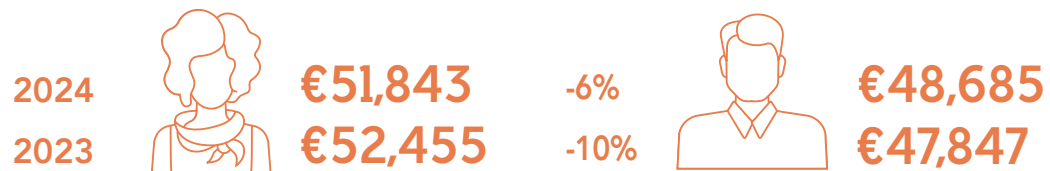
### Remuneration

The remuneration of our staff is determined by the collective agreements in force, ensuring that salary differences are not based on gender or age, but only on professional category or length of service.

### Salary gap and average gross annual salary

All our production centers implement a policy of pay equity between men and women. This is reflected in the collective agreements, in which salary scales per category are the same for both genders.

## Salary gap\* / Average annual salary



\* The percentage of gender salary gap was calculated by dividing the difference between men and women salary by men salary.

### Integration of disability

At Sidenor, we employ nine people with some type of disability - the same number as in 2023. Our commitment to diverse employment is reflected in our collaboration with special employment centers to promote social integration.

Since 2019, this commitment has allowed us to obtain the certificate of compliance with Royal Decree 364/2005 of April 8, renewed in December 2022 for a period of three years. The centers with which we collaborate include: Fundación Lantegi Batuak, Taller Usoa Lantegia, Soemca Empleo S.L, Alares Social, S.A and Ilunió Bigaderies de Catalunya.



### Collective bargaining

In 2024, we began - and continue pursuing - negotiations on new collective agreements for the Azkoitia (in Guipuzkoa) and Legutiano (in Álava) plants, following the expiration of their respective terms. This ensures that we have collective agreements in place at all our sites, covering 85% of our employees, as in 2023.

### Workplace climate survey

We know that a good work environment is vital to achieving greater employee satisfaction, which undoubtedly impacts their efficiency and productivity. To understand the level of satisfaction among our professionals, we launched the Workplace Climate Survey in 2023 which, in turn, allowed us to gather ideas for improvement. The survey could be completed from any personal device (computer, mobile phone, tablet), as well as on computers enabled in the work centers and in a training room.

The survey addressed topics such as organization and processes, leadership, people management as well as communication and company image, among others, obtaining an overall favorability rating of 78%. Three points stood out with favorability ratings above 80%: Organization, Leadership, and Company Image.

In 2024, we presented the results and prioritized actions in these areas.

With this initiative, we seek to optimize current and future resources, ensuring that all members of the Group feel heard and comfortable in our work environment.

The results for  
Organization,  
Leadership,  
and Company  
Image all had  
favorability  
ratings above  
80%





## ● In favor of equal opportunities



We reaffirm our commitment to equal opportunities between women and men through the approval of a second Equality Plan, valid until July 2028. This Plan continues the efforts initiated with the company's first Equality Plan, signed in 2018.

This new phase seeks to achieve clear objectives and maintain a work environment free from gender discrimination, ensuring rigorous monitoring of the control indicators established for the agreed measures. Thus, by signing this new Plan, we strengthen our commitment to creating an equitable workplace for all workers. The areas to which special attention will be paid while this Plan is in force are:

- ◆ **Increasing the presence of women** in traditionally male-dominated positions, specifically in steel production and processing workshops.

To achieve this, Sidenor will collaborate with educational career opportunities, showcasing successful women in these fields. In addition, we will improve physical conditions in the workplace, including appropriate changing facilities and workwear designed for the specific needs of women, thus promoting an inclusive and accessible environment.

- ◆ **Zero tolerance for gender-based violence**, with specific attention to women victims of this type of violence. Along these lines, we are committed to providing a safe and supportive environment where victims can feel protected and supported..
- ◆ **Awareness-raising and training as fundamental pillars**, implementing ongoing training programs to increase awareness on gender equality among the entire workforce, ensuring that every member of the company is equipped to contribute to a fairer and more equitable environment.

The development of this second Equality Plan is the result of a negotiation and agreement with the majority of union representatives, following a process of analysis and contribution of new ideas and approaches. This joint work has led to the creation of a Plan that not only builds on the progress made since 2018 but also introduces significant improvements to make further progress in gender equality within Sidenor.



## ● Measures to ensure well-being

In order to provide our staff with good working conditions, we offer various initiatives, among which the following can be highlighted:



### Life insurance

Reaffirming that people are our most important asset, we provide life insurance for our entire team.



### Canteen

In Basauri, we offer a canteen service with flexible hours, thus facilitating work-life balance.



### Training grants

In centers such as Reinosa and Vitoria, we promote the development of the children of our workers through a program of educational grants and scholarships.



### Flexibility

80% of our staff work rotating shifts (morning-afternoon-evening) and do not perform tasks outside of their normal schedule. The remaining 20% work split shifts, with flexible start and end times.

### Personal benefits



In Vitoria, we are affiliated with the San Prudencio Foundation, which allows the people employed at this center to access services and activities that enrich their experience. Likewise, in Reinosa, we have a Business Group partnership, which offers trips, excursions, and various activities so that the center's staff and their families can enjoy their leisure time.

At this time, we have not implemented a disconnection-from-work policy.



## Skills and qualification

At Sidenor, we continue to invest in training as a key tool for the qualification and development of our team.

Based on the high development capacity of the Avanza Plan, we are designing agreed-upon and individualized action plans that allow training to be tailored to the needs of the industrial sector and the specific needs of each individual.

The project is led by the Human Resources Department, with the support and backing of all the people responsible for the production departments.

The training sessions have focused primarily on subjects related to prevention, quality and the environment, in addition to including programs to integrate new employees and specific technical training to meet the needs of the departments.

Although this year's training figures are slightly lower than last year's, we have made a significant effort to promote Dual Training and establish collaboration agreements with educational institutions.

### Dual Training

Our commitment to Dual Training, both at professional and university level, is firm and determined. We collaborate with public and private institutions, conducting a selection process among the student population. This process is accompanied by training and assessment, which allows us to implement action plans for those who opt for Dual Training, thus creating a pipeline of future professionals capable of meeting our organization's needs in a competitive environment in the short and medium term.

We recognize the importance of establishing links between the company and the educational environment to attract and retain talent. To this end, we foster collaborations by participating in programs designed by universities and vocational training centers. We also actively attend job fairs organized by these educational centers, continuing our recruitment process.

70,337

training hours

in 2024



Training (hours)	2024	2023
Annual total	70,337	77,850
Average annual hours / person	37	43

In this way, we define ourselves as a company that promotes the skills and professionalism of those in education, as well as their professional development. We value the innovative and fresh contributions these students make in their work roles, making Dual Training an essential element of our strategic positioning.



### Versatility

In 2024, one of our key training objectives has been versatility. We continuously work closely with department leaders to identify training needs and achieve a high degree of versatility, which allows us to adapt to various circumstances and contingencies.

Using the ILUO versatility matrix, we develop the technical and personal skills of our teams, with the ultimate goal of achieving operational excellence through the growth of the organization's human capital. This development is the result of collaboration and joint reflection between Human Resources and the departments themselves, allowing us to implement the necessary action plans.

In terms of professional development, we differentiate ourselves from a traditional approach in the industrial sector. At Sidenor, having professionals trained to adapt to different projects, positions, departments and teams is essential to continue along the path of excellence that characterizes us.



## Avanza Plan: grow, progress, advance

During 2024, we continued to focus on improving talent management and maintaining communication and recognition opportunities through the Avanza Plan. This year, we achieved the following milestones:

- ◆ **Plan Expansion:** We made continuous improvements to the process and implemented the Avanza Plan in new groups and factories. This year, it was rolled out in the Finishing area at the Basauri factory and throughout the Vitoria factory. Continuing to expand the Avanza Plan helps us meet our objectives of:



Strengthening and improving talent management.



Maintaining communication and recognition opportunities for work well done.



Identifying opportunities for development and improvement.



Further analyzing and studying competence level data.

- ◆ **Key People Phase:** This new phase of the project, launched this year, allowed us to select 25 people who participated in workshops aimed at identifying each individual's capabilities and supporting them in their evaluation and development within our company.

The Avanza Plan continues to grow rapidly and, little by little, is bearing fruit, nurturing our company in terms of versatility, discipline and the tools to carry out the functions.



## Committed talent

### Sidenor Talent

#### Talent at Sidenor

We have a clear vision of what we mean by professional talent:

"Talent at Sidenor resides in people committed to the company, its values and sustainable objectives, with the ability to achieve and defend them by working as a team." Thus, we identified three key dimensions in this area: capabilities, commitment and action.

#### Capabilities

This dimension encompasses knowledge, skills, attitudes and competencies that we seek to develop in our co-workers. We foster an environment where they can acquire the appropriate tools to grow and put their talents to use.

#### Commitment

We value commitment as the degree of involvement each person shows in the company and our objectives. We believe that mutual commitment and teamwork are essential to achieving success and creating a nurturing work environment.

#### Action

Talent not only implies possessing abilities and commitment, but also taking action. We believe it is essential for each individual to apply their abilities in concrete actions that contribute to achieving tangible results and their own comprehensive development.

We are convinced of the importance of promoting professional development, facilitating a motivating environment and providing appropriate knowledge tools. We believe that motivation is key to enjoying work and acquiring knowledge, which translates into effective actions and beneficial habits for both individuals and the company.

Furthermore, we seek to integrate individual talent with organizational talent, considering them complementary and indispensable. We believe that the development of individual talent is closely linked to the growth of collective talent, and that only by working together can we achieve a common purpose and succeed in our goals.



### Definition of talent



## Talent management

We recognize that people are the fundamental pillar of our company, which is why talent management becomes a strategic priority. This involves planning, organizing, leading and controlling the various activities carried out by our team.

Our goal is to foster efficient collaboration that transcends hierarchy and allows us to achieve both organizational and individual objectives. We understand that, to achieve our goals, it is essential to take care of the people, as they are the driving force and key drivers of organizational efficiency. Therefore, we implement development and career plans that offer growth opportunities, as well as succession and onboarding programs that improve employee experience and contribute to their motivation.

In addition, we promote ongoing training to strengthen their

knowledge and provide learning tools that consolidate their professional development. This approach is not only an important motivating factor but also fosters excellence in all their actions.



We offer a motivating environment and provide appropriate knowledge tools to promote professional development

## 🕒 Employer branding

We want to continue making progress in attracting and retaining talent, as this is a key aspect of our business, in order to become a first-choice company. To this end, in 2024 we continued to invest in the Employer Branding program, aiming to build the reputation of our talent brand and promote a positive and attractive image as an employer brand.

Within the framework of this process, we defined Sidenor's Employee Value Proposition, effectively communicating what sets us apart and makes working at the organization unique and valuable. This Proposition was developed through a co-creation process, using focus groups at our plants in Basauri, Vitoria, and Azkoitia, and incorporating the various perspectives of colleagues representing different departments, seniorities, and experiences.

The Employee Value Proposition is made up of four positively valued attributes that will help us generate awareness:

01

### A great project

We are a well-established organization that continues to respond to industrial challenges. "Be part of our great project and you will have the opportunity to work in a dynamic and challenging environment, backed by a well-known brand in the industry."

02

### Discover our development opportunities

We provide a dynamic and stimulating environment for continuous learning. "We invite you to explore new opportunities and take on challenges that foster personal and professional growth."

03

### We form a human team

We are proud to have a team that nurtures the bonds between people. "We are part of a close and collaborative team that contributes to motivation and well-being."

04

### Safety above all

And of course, safety matters more than anything else to us. We believe that the human person is a value that comes before any organizational objective. "We work to be a company that is safer and healthier every day."





This Proposition will be integrated into talent attraction strategies developed in external communications, job postings, social media posts, and as a way to attract potential candidates to join Sidenor. We have also optimized the corresponding section on our website.

We have also implemented various training programs focused on empowering talent, for example:



### Steelers

In 2024, in collaboration with Mondragon Unibertsitatea, we held the third and fourth editions of the STEELERS program, derived from the Sidenor 612 Innovation Hub. This program's objectives are:

- ◆ To train people in innovation-related skills.
- ◆ To offer a comprehensive overview of what will be done at the Hub and facilitate participation.
- ◆ To offer tools to become agents of innovation at Sidenor.

The program consists of five sessions and has had more than 100 participants from various departments.



### Sidenor Digital Academy

Launched in 2023, Sidenor Digital Academy is an online learning platform for everyone in the organization, which facilitates access to business-specific knowledge.

This platform encourages self-learning in a PLE (Personal Learning Environment) learning environment. It also offers the ability to design customized training paths for the various departments.

Many of the available courses are exclusive to the company and delivered in-house by our professionals. The training is available online 24/7, allowing participants to complete it at the most convenient time for them. In addition, we have included assessment tests that measure progress and course completion certificates.

In 2024, new courses were added, including Ethics and Compliance training sessions, which were completed by more than 1,000 workers. These courses were related to topics such as Human Rights, Anti-Corruption, and the Code of Ethics.







### Bideratu Program

We held the fourth edition of this program focused on providing the company's facilitators with the necessary skills to lead in Industry 4.0. For six months, participants work as a team on projects to provide innovative solutions, reinforcing the crucial role of facilitators at Sidenor.



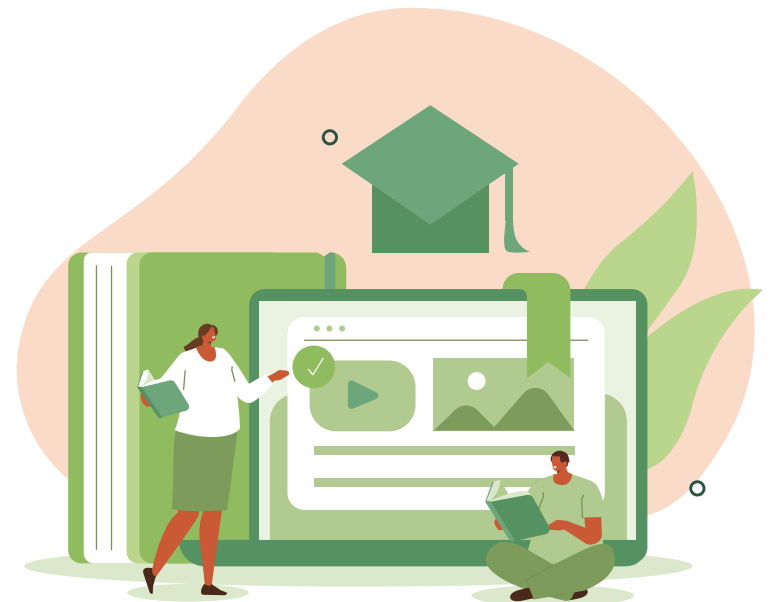
### Leadership Program

The program aims to share our distinctive leadership style by identifying some of its recognizable traits and fostering their anchoring in participants. It also seeks to strengthen the fundamental skills that support the competencies required for Sidenor leadership, through a comprehensive approach based on awareness and action training. In 2024, the fifth edition was held, open to a variety of profiles, with coaching sessions available to deepen the learning process.



### Training packages

We continued to offer three-hour online training sessions on essential soft skills such as Conflict Management, Customer Focus, Communication Skills and Effective Presentations, among others. In 2024, more than 10 different training packages were delivered, some lasting more than one day, including training in technological tools such as OneDrive or Microsoft Teams.



## Training catalog

Our monthly catalog offers a wide variety of training options from different providers, available online or in-person, allowing workers to enroll directly based on their interests and needs.



### IDP (Individual Development Plan)

The Individual Development Plan (IDP) identifies gaps between the position and the individual, offering specific training tailored to each individual. This plan is reviewed annually to adapt to changing needs. In addition, it serves as a starting point for analyzing succession plans and career paths.



### Collaboration with universities

At Sidenor, we support the development of young talent and have established partnerships with renowned educational institutions. We collaborate with educational institutions such as the University of Mondragón, the University of the Basque Country (UPV/EHU) and the University of Deusto, offering the opportunity to do internships and complete final degree or master's theses. We also participate in job fairs to attract and develop young talent.



### Sidenor Te Reconoce

In 2024, we held the fourth edition of Sidenor Recognizes You, an initiative that rewards the individual or group effort and performance of those who have made a notable contribution to achieving the results and objectives established by our company.

Within the framework of this program, all Sidenor employees have the opportunity to nominate their colleagues for this recognition, based on the following criteria:

- ◆ Time and cost savings, process improvements (optimization).
- ◆ Improvement of working conditions.
- ◆ Innovation.
- ◆ Digitalization.
- ◆ Impact on customers (delivery times, quality).
- ◆ Environmental improvements, energy efficiency.

Nominations go through several validation processes, and finally, a committee created to approve these nominations rewards those who deserve special recognition.



## Employee Journey Map

Through focus groups at our plants in Vitoria, Azkoitia, Basauri and Reinosa, we explored the employee experience at Sidenor. Through open-ended questions, we sought to identify improvements that can be made to the Employee Journey Map processes and strengthen the positive aspects of the processes currently in place.

The insights gathered will help us improve employee experience processes, with a short- and long-term action plan.



We have developed a Prevention and Healthy Company Plan that will be in effect for the next three years

## 🕒 Safety – a priority at the company

Under the guidance of Management, and with the support of staff and Prevention services, we focus on being a completely safe and healthy entity. In fact, our goal is to completely eliminate occupational accidents and illnesses. This challenge is clearly reflected in our Sidenor Integrated Policy, which establishes that no emergency, whether production-related or economic, should jeopardize the safety of our professionals.

Accordingly, we promote a culture that prioritizes prevention and safety, where the active participation of everyone is essential. Furthermore, we guarantee strict compliance with current occupational health and safety legislation, in addition to the internal regulations we impose on ourselves as a company.

In this process, we pay special attention to the industry's leading practices in this area so as to implement them in our work centers, while also maintaining regular contact with other companies to learn about their methodologies.

We also understand that training is vital to achieving our goal of zero occupational accidents and illnesses. For this purpose, we offer specific prevention training to the entire workforce to raise awareness and align them with the company's strategies, as well as to ensure legal compliance with the regulations approved year after year.

## Prevention and Healthy Company Plan

If there is one thing we are known for at Sidenor, it is that we put the integrity of our people before any other company objective or priority. So much so that risk prevention and occupational health are among our core principles.

Along these lines, in November 2024, a Prevention and Healthy Company Plan was agreed upon with the Negotiating Committee created in 2021, valid for the next three years. This agreement boosts the implementation of the Occupational Risk Prevention System and includes a project to comprehensively promote the health and well-being of our workers through existing services and initiatives and others that are currently being implemented, such as physiotherapy services, online medical services, specialized care for mental health issues, nutritionist services, and more.

The agreement establishes a semi-annual follow-up meeting for the signatory members of the work team who have decided on it.

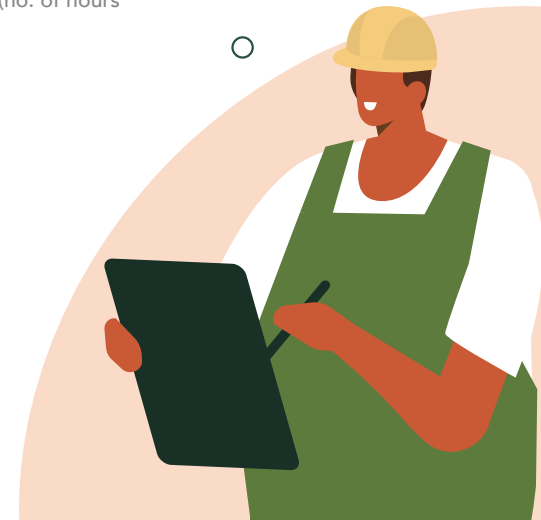
## Accident rate and absenteeism

The following table breaks down the information and statistics on total accidents and accidents resulting in sick leave. The total number of occupational illnesses in the Group is also included.

Accident rate indicators	2024	2023
<b>Total of accidents</b>	205	190
<b>Accidents with leaves</b>	79	81
<b>Frequency rate (*)</b>	32.48	28.84
<b>Severity rate (**)</b>	0.66	0.43
<b>Occupational illnesses</b>	4	4

(\*) The frequency rate considers all accidents with leave that occur in Sidenor plants and is calculated as (no. of accidents / no. of hours worked) x 10<sup>6</sup>

(\*\*) The severity rate is calculated as (no. of days lost or not worked) / (no. of hours worked) x 10<sup>3</sup>





The occupational accident information broken down in the table is not disaggregated by gender. The risk profile is associated with each position, and gender is not a relevant issue in terms of occupational safety for the company, considering, besides, that men make up the majority of the workforce. Thus, at Sidenor, we do not manage occupational accidents by gender but rather by the risks inherent to each position.

Furthermore, we use the most conservative version of the concept of absenteeism, considering it to be any absence from work, such as those resulting from occupational or common accidents, long-term sick leaves, or maternity and paternity leaves, excluding vacations.

In 2024, the absenteeism rate reached 11.5%, with a total of 360,454 hours (including 14,262 hours corresponding to childcare leave). In 2023, the absenteeism rate reached 10.5%, with a total of 325,689 hours (including 15,882 hours of childcare leave).

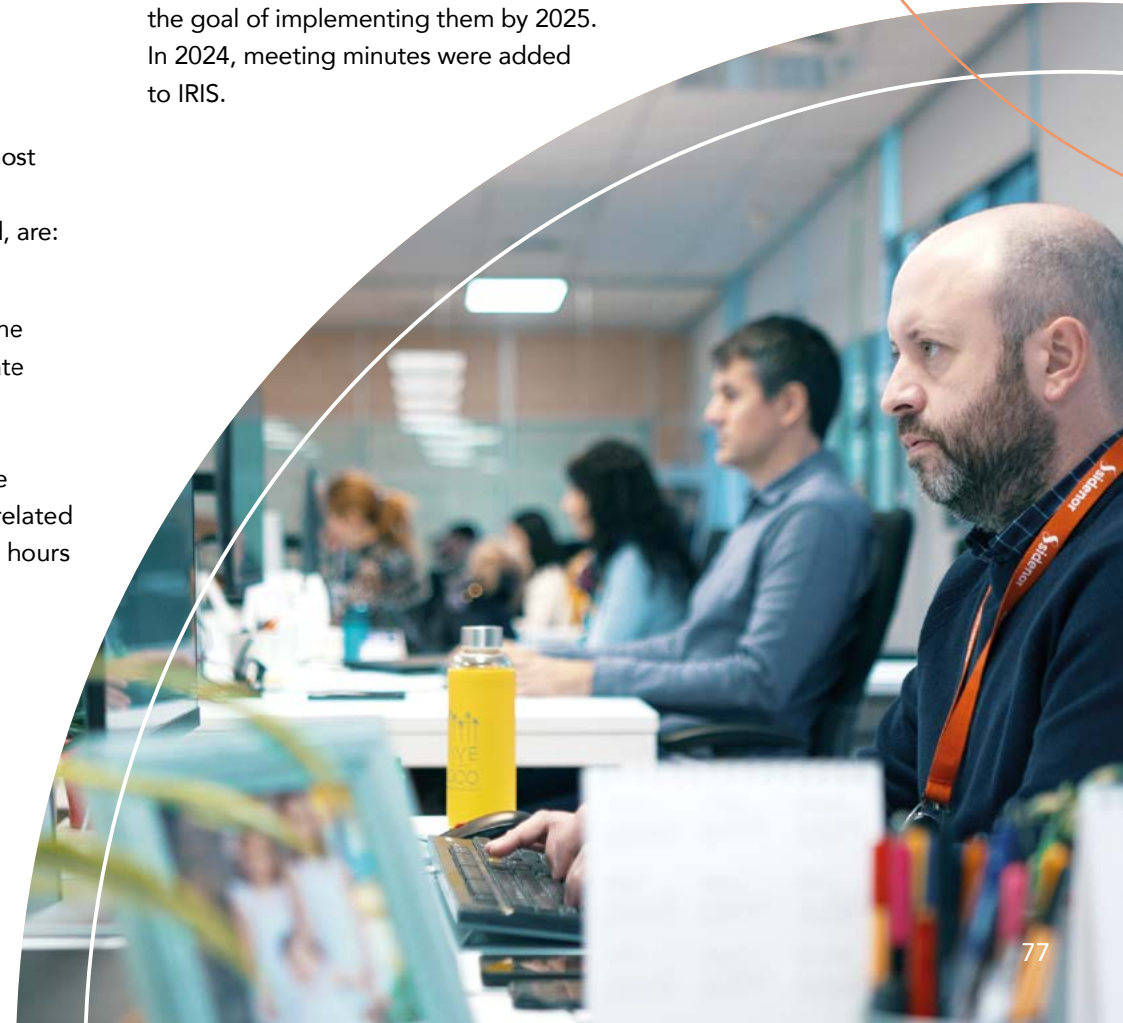
## 360-degree prevention

As every year, in 2024, we continued to develop various initiatives aimed at occupational risk prevention, emphasizing those related to promoting health among the staff and linked to promoting Sidenor as a healthy company.

While some of these projects are ongoing, others were launched throughout this year. Among the most notable, either due to the interest generated or the benefits provided, are:

- ◆ **Occupational Risk Prevention Training.** Taking advantage of the recent approval of the Third State Metal Agreement, to which we are bound as a company in the metalworking sector, in 2024 we provided 657 training sessions related to prevention. A total of 11,451 hours were invested.

- ◆ **Awareness Raising.** During this year, we continued to hold 'Area Training Dialogues' with employees on learning from accident and incident investigations, campaigns, reminders of standards and procedures, etc.
- ◆ **Digitalization of the practices of the total safety system.** We continued working on developing management system tools in the IRIS software with the goal of implementing them by 2025. In 2024, meeting minutes were added to IRIS.



## IRIS, going a step further in digitalization



At Sidenor, we use IRIS, a software designed to help us digitalize our integrated management systems. Implemented in all our areas and plants, it is responsible for creating process maps, evaluating the tasks of each job position, developing analyses of the critical tasks detected, defining Failure Mode and Effects Analysis (FMEA), as well as control ranges. We thus have a single work system that allows us to extract information directly.

IRIS allows us to link the procedures generated as a result of the aforementioned analyses to Meridian—or any storage system that we establish for document control—thus eliminating administrative steps.

In 2024, we also incorporated into the software the management of meeting minutes related to the practices of the prevention management system, always linked to Sidenor's action control system (SPAD), thus achieving direct traceability of everything this entails.

In the next steps, our work will consist in integrating all practices and audits into IRIS.

## Certifications that endorse our work



In 2018, we became the first Spanish steel company to obtain the ISO 45001 certification, the international standard for

occupational health and safety management systems. Since then, we have maintained our commitment to safety, complying with internal standards and procedures, as well as all legal requirements applicable to our companies.

Thus, in 2024 we successfully passed the standard's recertification, a recognition of the work carried out in preventive measures and in improving the health of our professionals.

We have maintained the ISO 45001 recertification for our commitment to occupational health and safety



## 🕒 We are moving forward as a healthy company

In 2017, we launched the Healthy Company Project. We have now taken a further step and an agreement has been reached between the Negotiating Committee and the majority unions.

The Internal Health, Safety and Well-being Policy, framed under this Project, includes the following commitments:



To take care of the health and well-being of people in a responsible manner, with the commitment to protect and promote healthy work environments.



To develop a continuous improvement process as a healthy company, promoting the active participation of all members of the organization, both internally and in the community.



To promote health both in the workplace and outside of work based on the epidemiological characteristics of its community.



To comply with legal and regulatory provisions regarding Health, Safety, and Well-being, as well as those to which the organization subscribes related to healthy work environments.



To promote worker participation in these initiatives so as to achieve optimal development.



To ensure that this policy is maintained at the highest level of awareness, understanding, development, and updating for all staff.





As part of the Healthy Company Project, the following initiatives were implemented in 2024:

### Regular internal communication campaigns to improve health



#### Flu vaccination

Objective: To promote the vaccination of workers in their workplace and during their workday, without having to travel to their health center, thus promoting their protection.



#### Stop smoking

Objective: To encourage workers to quit this habit, which is harmful to their personal health and that of their colleagues.

### 2024 internal communication campaigns to improve health



#### World Day for Safety and Health at Work

Objective: To inform about the preventive measures to be adopted due to the impact of climate change on safety and health at work.



#### Sports campaign

Objective: To promote sports participation by all workers.



#### Nutrition campaign lo que comes

Fruit Month and Take Care of What You Eat. Objective: To promote healthy eating habits among workers.

### Awareness campaigns



#### Blood donation campaign at all plants

Objective: To participate in our society by donating blood to healthcare centers and hospitals.



#### Pre-use Campaign

Objective: To raise awareness and remind everyone of the purpose of the pre-use equipment inspection.

The health of our staff is very important to the Group. Therefore, we ensure that everyone, regardless of their department, can access quality medical services without limitations





# Synergies for the development of our environment

## Integrated with the community

The prosperity of the territories where we operate is key to our mutual success. Therefore, we prioritize job creation and collaboration with local suppliers, with the aim of actively contributing to the economic development of these regions, consolidating our position as a strategic partner for their growth.

Furthermore, we seek to extend our impact beyond the purely economic. Therefore, we are committed to cooperating with local entities, supporting initiatives that prioritize education, sustainability, sports and the protection of the most vulnerable sectors.

To achieve this goal, we maintain an open and ongoing dialogue with local communities to understand their needs. We invite customers, suppliers, educational institutions and training centers to participate, organizing meetings and activities that promote cooperation and allow for synergies.

In addition, we are committed to sponsoring organizations that reflect our values of training, solidarity and teamwork. We support cultural, sports, and educational organizations that share these values, which are aligned with our corporate social responsibility policies.



## 🕒 Responsible and sustainable purchase

### Efficient process

The Purchase Department plays a crucial role in managing the acquisition of materials, transportation, services and equipment necessary for our operations. Its objective is to ensure the procurement of goods and services that not only meet the highest quality and cost standards, but are also sustainable, strategically aligned with the needs of our internal customers. This is reflected in our Purchasing Policy, which was updated in 2024 and is available on our website.

In our operations, we are guided by the ethical principles and values detailed in our Code of Ethics (also available online). We extend these values to our suppliers through the General Purchasing Conditions that accompany our orders, requiring their acceptance of the Code of Ethics. We consider our suppliers to be key strategic partners in our

value chain, and therefore encourage their development through long-term business relationships. These relationships are based on mutual growth, shared benefits and values such as respect, responsibility, honesty, quality and transparency, contributing to the achievement of the company's objectives and strategies.

Our suppliers  
are key strategic  
partners to  
ensure a  
responsible  
and sustainable  
value chain

## Sidenor's purchasing process

(Production and non-production Material, Services, Logistics, Investments and Metals)



## Supplier approval

We implement a continuous evaluation plan for suppliers of raw materials, ferroalloys and steelmaking auxiliary materials – materials that are essential in our steel production value chain.



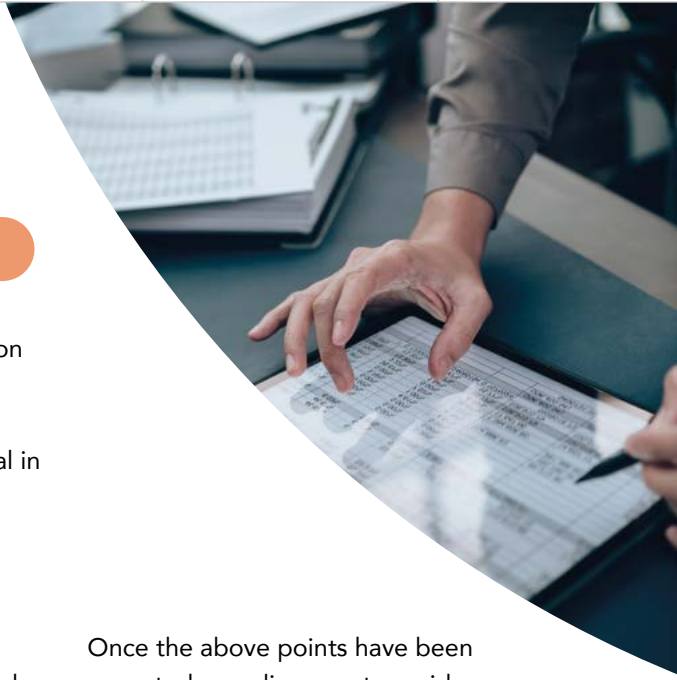
### Evaluation plan

We centralize all updated information on all our suppliers through an *online* platform. This system allows current and potential suppliers to register and participate in our approval process.

To be approved, the supplier must accept our Corporate Social Responsibility (CSR) policy, which includes commitments regarding child labor, forced labor, equality, safety and the environment, as well as the Supplier Information Security Code.

Once the above points have been accepted, suppliers must provide detailed information, such as quality and environmental certifications (ISO 9001 and ISO 14001), sector-specific certificates and financial information, as well as compliance with GDPR data protection legislation and their CSR policies.

The portal also acts as a communication channel for managing “non-conformities” in materials or services and, based on this information, along with service quality, we evaluate and rate all suppliers.



## Annual progress

### 2023

Implementation of the GoSupply platform with more than 500 registered suppliers, enabling constant monitoring of ESG risk and compliance across our entire supply chain, covering 90% of our turnover and 100% of our critical suppliers.

### 2024

Incorporation of a new module to GoSupply to provide suppliers with visibility into their ESG score, collaborating with them on action plans to improve their performance and minimize risk in our supply chain, and aligning these efforts with our strategic SDGs.

### 2025

We will continue to enhance the GoSupply platform by establishing targets for our critical suppliers and monitoring their compliance levels.

## Audits

Supplier quality audits are essential to ensure that our supply chain is reliable and aligned with our own quality objectives. To this end, as established in our supplier development, selection, and registration procedure, we hold regular meetings and visits to our suppliers in order to strengthen relationships and promote their development.

Quality audits ensure that our supply chain is reliable and aligned with our quality objectives

The Purchase Department, in coordination with the Supplier Audit section of the development, selection, and registration procedure, prepares an annual Audit Plan. This plan is based on criteria such as turnover, materials within the quality system, criticality or lack of alternatives, suppliers with nonconformities, and those that provide materials or services that may affect Sidenor's product or process.

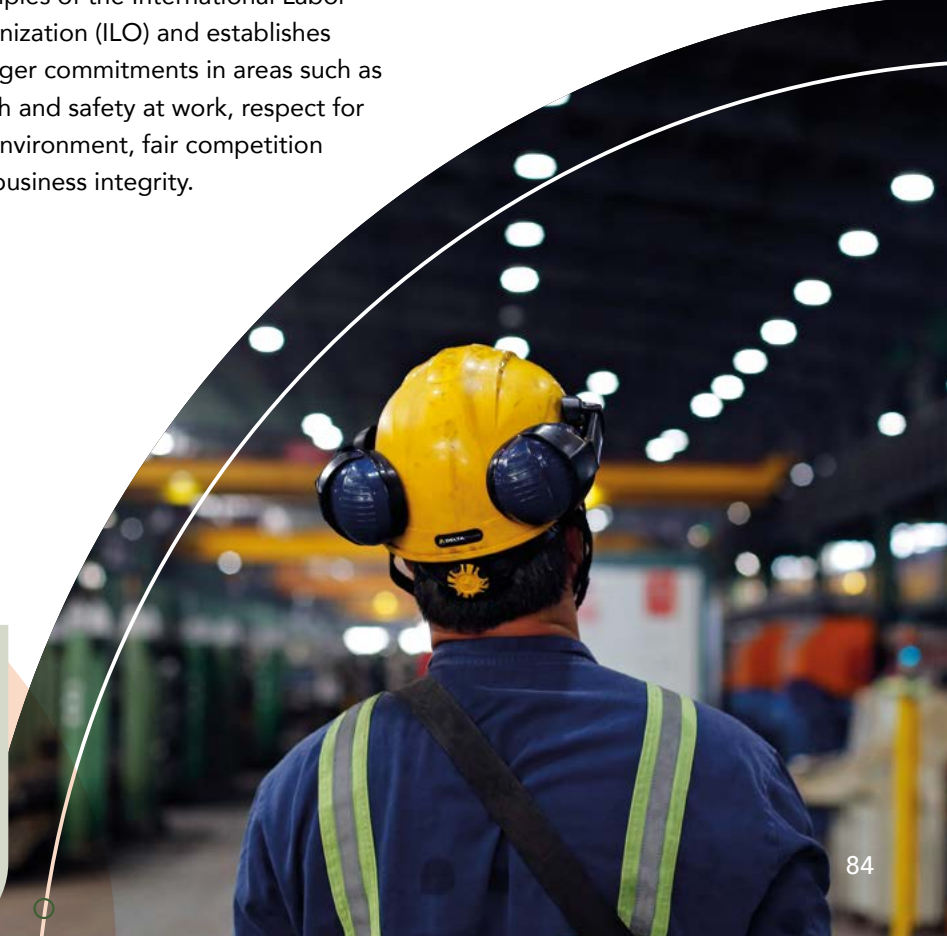
Following these criteria, we audit our main suppliers in three-year cycles. During 2024, we conducted 41 audits with satisfactory results, without recording any serious nonconformities. For 2025, we have planned 15 additional audits.

## Ethical and responsible suppliers

We promote social and ethical development among our suppliers through our Corporate Social Responsibility (CSR) Policy.

Implemented in 2019, this policy reinforces our values and commitment to our stakeholders. It also promotes compliance with the fundamental principles of the International Labor Organization (ILO) and establishes stronger commitments in areas such as health and safety at work, respect for the environment, fair competition and business integrity.

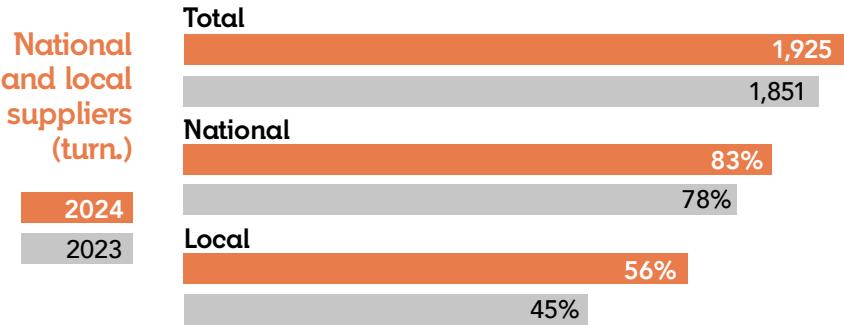
Our suppliers commit to adhering to and complying with our CSR Policy as part of our joint collaboration.



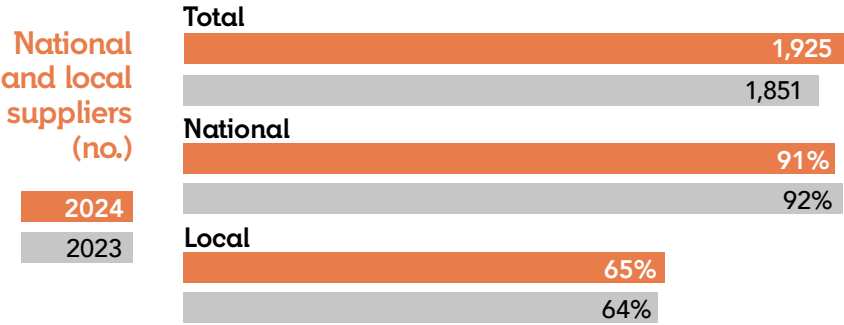


## We strengthen the local economy

In 2024, 56% of our suppliers, measured by turnover, were local, coming from the provinces where we have production facilities, while 83% were national suppliers.



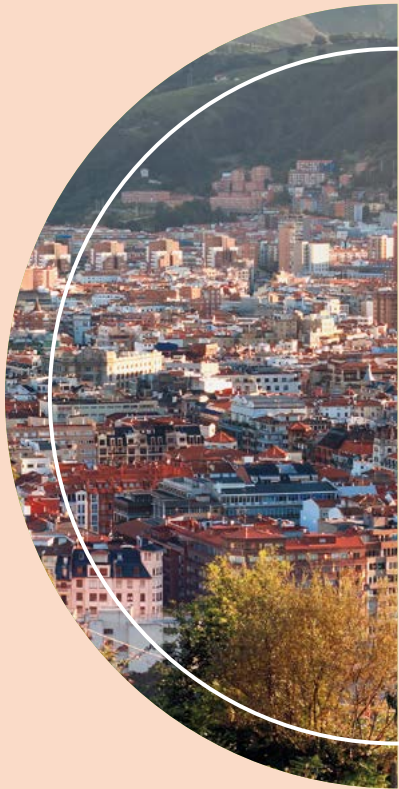
On the other side, in 2024, 65% of our suppliers were from the provinces where we have our production centers, and 91% were national suppliers



An analysis of turnover data and the number of national suppliers shows that 83% of turnover comes from 91% of national suppliers. This difference is primarily due to the fact that certain high-priced raw materials, such as ferroalloys, are produced and marketed in foreign countries.

From a sustainability and responsibility perspective, we promote the improvement of our suppliers' environmental, ethical, and social profiles. In fact, we are a benchmark and driving force in the minimization and utilization of refractory waste through joint projects with suppliers.





## We strengthen ties with the community

As part of our commitment to sustainability and corporate social responsibility, we seek new ways to positively contribute to the well-being of those around us.

Thus, through initiatives and programs designed to address local needs and improve quality of life, we establish meaningful connections with our surroundings: from supporting educational projects to participating in volunteer activities and collaborating with non-profit organizations.



## Alliances in favor of sustainability

We establish strategic partnerships that amplify our positive impact. These alliances with companies, associations, foundations and key stakeholders allow us to leverage synergies and address sustainable challenges more effectively. Together, we exchange knowledge, implement best practices and co-create innovative solutions. By working with organizations that share our values, we enhance our capabilities to address environmental, social, and economic issues.



Among the alliances that help us achieve increasingly ambitious goals are the following:

Confederación Empresarial Vasca  
Euskal Entrepresarien Konfederakuntza

**ConfeBask**

An organization that voluntarily brings together thousands of private companies in Autonomous Community of the Basque Country, covering all territories, sizes and sectors of activity. We are associated with the three member organizations of ConfeBask - the Gipuzkoa Business Association (ADEGI), the Bizkaia Business Confederation (CEBEK) and SEA Empresarios Alaveses (SEA)- from our plants located in Basauri, Azkoitia, and Vitoria.

**UNESID**  
Unión de Empresas Siderúrgicas

The Union of Iron and Steel Companies (UNESID) is the Association of Steel and Primary Steel Processing Product Producers in Spain.

**SIDEREX**

The Steel Cluster Association is a non-profit organization dedicated to improving the competitiveness of the sector. Its actions focus on cooperation between companies and other stakeholders in areas such as internationalization, technological and business innovation, as well as defending the interests of its member companies.

**FVEM**  
FEDERACIÓN VIZCAÍNA  
DE EMPRESAS DEL METAL  
METALEKO LANTEGIEN  
BIZKAIKO FEDERAKUNTZA

The Biscayan Federation of Metal Companies (FVEM) is the sectoral organization that brings together companies in the steel and metallurgical industry in Bizkaia.

**Cluster Energía**  
BASQUE ENERGY CLUSTER

A non-profit association that contributes to improving the competitiveness of the industrial sector, bringing together 200 companies and organizations.

**AERCE**  
ASOCIACIÓN ESPAÑOLA DE PROFESIONALES DE  
COMPRAS, CONTRATACIÓN Y APROVISIONAMIENTOS

This non-profit professional association represents the interests of professionals and departments in the purchasing, contracting, and procurement sectors of Spain, in the private and public sectors.



**Pacto Mundial**  
Red Española

It brings together Spanish entities that have joined the United Nations Global Compact and promotes corporate social responsibility at the national level.



## 🕒 Promoting positive change

Our mission goes beyond being just an economic player in the region; in fact, we aspire to be an agent for positive change. Working hand in hand with the community, we seek to build a sustainable and prosperous future for all. This commitment is fundamental to our business vision, demonstrating that business success and community well-being can and must coexist.

### Boosting the talent of today and tomorrow

#### Industria Erronka, in collaboration with the Bizcayan Federation of Metal Companies (FVEM)

This project fosters talent and challenges industry stereotypes. It focuses on technological transformation, emphasizing the attraction and retention of talent, especially female talent, to strengthen a crucial sector in Euskadi's economy.



## Contributing to the community



Contributions of Sidenor to  
foundations and non-profit entities

€ 123,000 in 2024

€ 150,000 in 2023



Sponsorships

€ 321,000 in 2024

€ 276,000 in 2023

#### Inspira Steam project, in collaboration with the University of Deusto

Together with the University of Deusto, this initiative promotes scientific and technological vocations among girls. It uses group mentoring to foster interest in STEAM (Science, Technology, Engineering, Art and Mathematics) among elementary school students, led by female professionals in science and technology.





### Room4steel project, in collaboration with SIDEREX

Developed in collaboration with SIDEREX at the Bilbao School of Engineering, Room4steel is a classroom focused on areas of knowledge in the steel industry, promoting projects and activities in a historically important sector for the Basque industry.

### STARTInnova project (El Correo)

This initiative, launched in collaboration with El Correo, seeks to develop the entrepreneurial spirit among young people aged 16-18 who are studying for their Baccalaureate or following vocational training. It offers a platform where professionals share tools and methodologies for developing business projects. At Sidenor, we participate as mentors in this initiative, welcoming first-year students of the Advanced Cycle in Transport and Logistics from the Arangoya School at our facilities.



### Training courses for APD

The Association for Management Progress (Asociación para el Progreso de la Dirección - APD) is an independent, non-profit organization that strives to

build a more informed and cohesive community with a deep understanding of the trends shaping our world.

## Innovation for a better future

### Bind 4.0 project

We participate in this open innovation initiative, created by the Department of Economic Development, Sustainability and Environment through the SPRI Group and its platform, UpEuskadi, that has become a benchmark since its founding in 2016. The platform attracts technology startups from around the world, promoting innovation and digital transformation in the Basque Country.

In its sixth edition, has accelerated more than 130 startups and developed more than 200 projects, exceeding €6.5 million in turnover.

### Innolab Bilbao

This open innovation space brings together talent and technology to seek new solutions to business and social challenges. Its objectives include promoting technological innovation, improving business competitiveness, generating skilled employment in Euskadi, serving as a platform for technology prototyping, and recognizing women leaders in science and technology.



## Together for a better society

### Adecco Foundation

Our Chairman, José Antonio Jainaga, is part of the #CEOPorLaDiversidad initiative, promoted by the Adecco Foundation and the CEOE Foundation. This alliance aims to encourage senior management at leading Spanish companies to collaborate on strategies that respond to social needs.

In addition, we promote the employability of vulnerable groups through partnerships with value-added providers, such as the Lantegi Batuak Foundation, Taller Usoa Lantegia, Soemca Empleo and Alares Social, which create job opportunities for people with disabilities.

### Bakuva

We support this non-profit association dedicated to the social integration of school-age children in the Bilbao la Vieja neighborhood through sports, recreational and educational activities.

### DalecandELA

We collaborate with this NGO to raise funds for research into the fight against ALS and to support those suffering from it.

### UNICEF

We support the United Nations (UN) agency, based in New York, which provides humanitarian and development aid to children and mothers in developing countries.

### Why Not Foundation

We work with this foundation to improve the quality of life of people with mental disorders and their families.

### Diocesan Caritas of Bilbao

We support its mission to promote the comprehensive development of people and communities, especially the most vulnerable and excluded.

## Science and research for social change



### The Walk On Project (WOP)

In 2024, we participated in the 'Estropatada,' an original geolocated 'Wop' race that has been held in the Bilbao Estuary since 2013. This initiative seeks to boost funding for research projects on neurodegenerative diseases and raise awareness about the reality of these diseases and the importance of research and science.



### San Prudencio Work Foundation

From our plant in Vitoria, we collaborate with this non-profit organization that leads corporate social responsibility (CSR) in companies in Álava, benefiting thousands of workers and their families.





## In favor of a healthy and active lifestyle

We firmly believe in the importance of promoting an active lifestyle that not only benefits health but also considers its social and environmental impact. To this aim, we promote a series of initiatives that include sports competitions and awareness-raising activities related to the environment in which we live. These actions reflect our dedication to creating a future in which sport, sustainability and equality are not separate concepts, but intrinsic components of a single vision. We thus sponsor the following initiatives:



### 5+11 Fundazioa

This non-profit foundation promotes healthy lifestyle habits among children in

Álava through activities related to soccer and basketball, instilling positive values such as healthy living, sportsmanship, effort, self-improvement and teamwork.

### Amorebieta Sports Society

We have renewed our Main Sponsorship agreement with Amorebieta Sports Society for the 2024-2025 season.

### Bilbao Basket

We have also renewed our agreement as Club Sponsor for the 2024-2025 season.

### Baskonia

Saski Baskonia S.A.D. is currently one of the most important basketball clubs in Spain. Proof of this is their double triumph in the 2001/02 season, winning the Copa del Rey and the ACB League.

### Gernika Kirol Elkartea Saski Baloi

Gernika Kirol Elkartea Saski Baloi is a women's basketball team based in Gernika that is part of the Liga Femenina. Founded in 1996, it was born from the merger of the Gernika Saski-Baloi and I.B. Gernika teams.

### Anaitasuna Sports Club

A club from the town of Azkoitia, founded in 1934. Its soccer section promotes the sport among more than 200 young people.

### Club Deportivo Basconia

This is one of the historic football clubs in Biscay. A subsidiary of Athletic Club, this organization, founded in 1913, trains various Basauri boys' and girls' teams of all ages. We sponsor the various sporting activities of C.D. Basconia during the 2024-2025 season.

### Atlético Basauri Handball Club

As a non-profit organization, Atlético Basauri Handball Club is dedicated to promoting handball by organizing activities and competitions. With a majority of women's teams, it also has mixed teams and one men's team. It is notable for its Charity Handball Day, where it raises funds for various NGOs such as the Multiple Sclerosis Foundation of the Basque Country and the Association of Parents of Children with Cancer of Bizkaia, among others.

### Club Portugalete

Founded in 1909 and based in Portugalete, Biscay, this football club currently competes in the Third Division of the Spanish Football Federation (RFEF). It works to develop grassroots and federated football teams, participating in regular competitions and tournaments, as well as organizing social and sports activities in collaboration with the Portugalete City Council.



### Bizkaia Bizkaialde Foundation

This institution coordinates public and private funds to optimize the investment of sports sponsors, fostering cooperation in the promotion of Bizkaia and contributing to the proper and effective regulation of the sport itself.

### Kaiku Women's Rowing Team

We collaborate with the Kaiku Club Rowing School, which covers categories from children to junior and senior levels. In 2024, the team was made up of 22 junior and senior rowers, doubling the number of members and creating a solid foundation from which to promote Kaiku's women's trawler.



### Bide-Bieta Pelotazale Society Club

Since its creation in 1981, this club has been a pioneer in Bizkaia by offering services to people with intellectual disabilities in a Basque pelota section specifically created for them.

### Indartsu Club

With mixed teams and female coaches, the Indartsu Club is committed to equality, seeking stability, quality and parity in its management bodies.

### Local Sports in Azkoitia

We support local sports by collaborating directly with other clubs and institutions, such as Zubiarre Igeri Kluba (swimming), Irarurgi Saski Baloia (basketball), and Azkoitri (triathlon). We also sponsor events such as the Azkoitia Azpeitia Maratoi Erdia, the AZPEITIA CUP and the Xabier Ortiz de Luzuriaga Crossing, held annually in the Hegialde neighborhood of Legazpi.

### Santutxu Hockey Club

Including more than 120 players, this club focuses on team spirit, respect, commitment and tolerance. It is made up of a skating school, school sports and federated sports, and has more than 300 members. After 31 years, the senior men's team will compete in the lower division.





## We promote culture



### ABAO

We support the Bilbao Association of Friends of the Opera (ABAO), one of the most important groups in the Basque and national cultural sector. In 2024, to encourage participation among our employees, we raffled off tickets to their events and other activities we sponsor.

### Bilbao Choral Society

We collaborate with the Bilbao Choral Society, a non-profit organization dedicated to promoting music in general and choral music in particular. We support their sociocultural project, 'Eskolan Kantari,' at the Basozelai Primary School in Basauri, which aims to introduce choral training in schools that lack a choir or musical activities.

### Herriko Taldeak

This association is responsible for organizing the Basauri festivals (Sanfaustos) and other cultural activities in the municipality. Composed of 16 groups representing more than 5,000 people, it promotes local culture and community cohesion.



04

OUR RESPONSIBLE

LEADERSHIP

# Corporate and executive leadership

Our Executive Committee consists of:



**José Antonio  
Jainaga  
Gómez**  
Chairman



**Marco Pineda  
Gómez**  
Corporate  
Managing Director



**Maite Echarri  
López**  
Director of Economics,  
Finance and IT



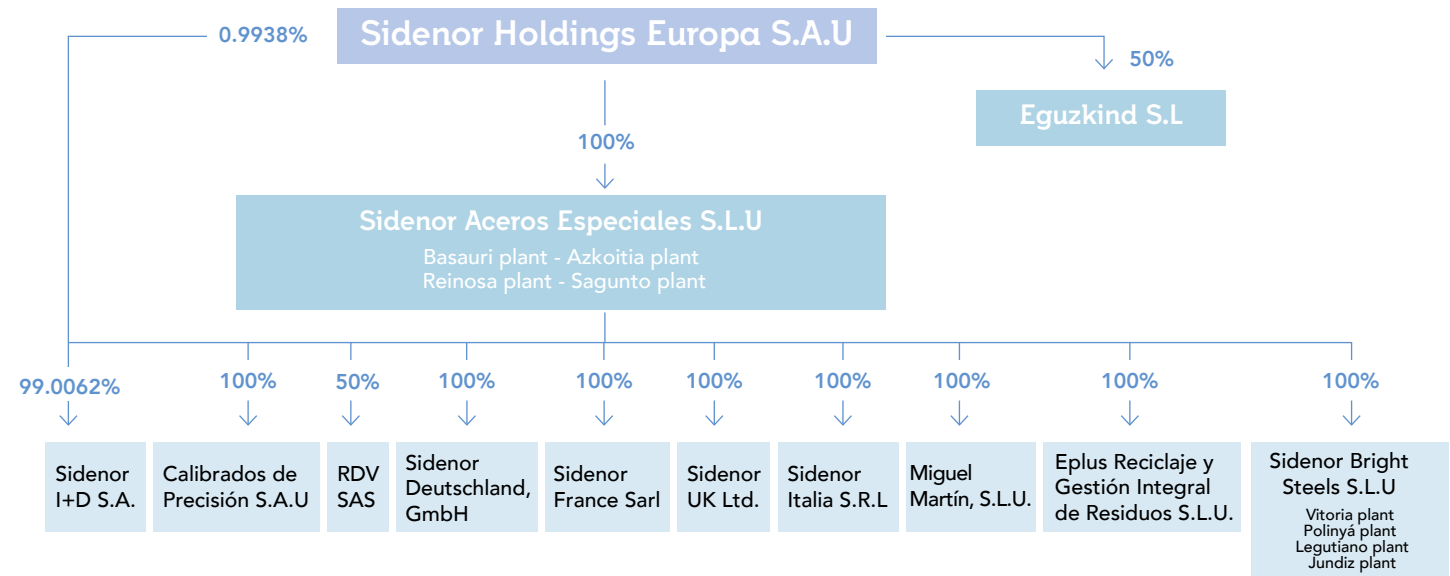
**Iñigo Molero  
Gurruchaga**  
Director of  
Sales



**Enrique  
Canal López**  
Director of  
Industrial Affairs

This Committee is supported by an Advisory Board whose task is to strengthen its growth and diversification strategy. This advisory body is composed of four independent directors, all of whom are recognized professionals in sectors relevant to our organization, such as the energy and automotive sectors.

## Corporate structure





# From ethics and integrity

Our Code of Ethics details the principles and values that govern our performance. This document is essential for achieving success in business management and reflects Management's objective to strengthen the ethical standards and principles applicable throughout the company, as well as to foster a work environment that promotes integrity, respect and equity. Some of its key points are:

## Respect for the law

Our business and professional activities will be carried out in strict compliance with the laws in force in each of the locations where we operate.

## Ethical integrity

The business and professional activities of the Group and its employees must be based on the value of integrity. These activities must be carried out in accordance with the principles of honesty, avoidance of any form of corruption and respect for the particular circumstances and needs of all those involved. In this regard, we promote among our staff the recognition and appreciation of behaviors that align with the principles of our Code of Ethics and corporate policies.

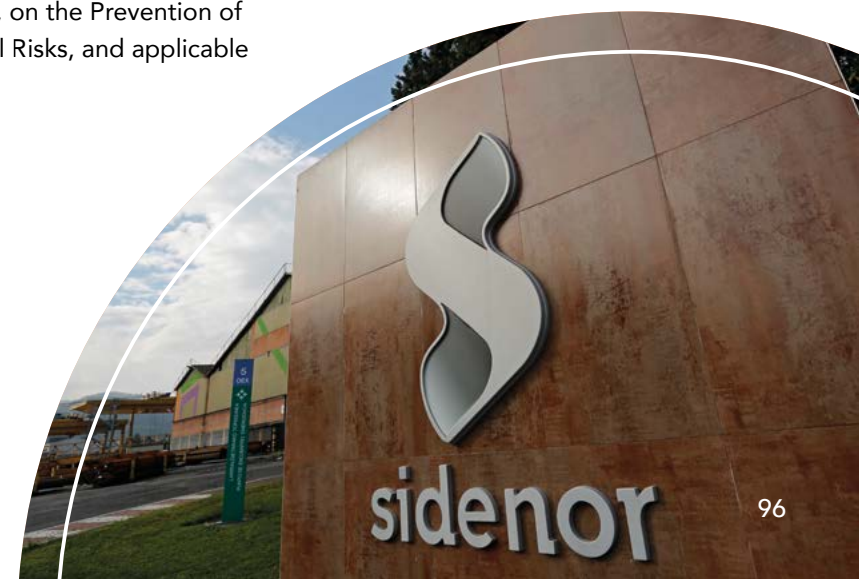
## Respect for human rights

All actions we undertake, as well as those of our staff, shall scrupulously respect human rights and civil liberties, as established in the Universal Declaration of Human Rights.

## Commitment to the prevention and eradication of child labor

At Sidenor, we are aware of the importance of children's personal and emotional development and respect for the enjoyment of their rights. We therefore strictly comply with current legislation, such as the Statute of Workers' Rights, according to which the admission of children under sixteen years of age to work is prohibited, as is the performance of overtime, night work, and/or any activities or positions for which hiring restrictions are established in accordance with Law 31/1995, of November 8, on the Prevention of Occupational Risks, and applicable regulations.

Our Code of Ethics is essential to achieving success in business management





Furthermore, the Management has developed some of the principles contained in the Code of Ethics through the following corporate policies:

- ◆ **Anti-Corruption and Fraud Policy** (explained in detail in the "Corruption and Bribery" section).
- ◆ **Human Rights Policy** (explained in detail in the "Human Rights" section).
- ◆ **Conflict of Interest Policy.** Designed to guide conduct within the Group to prevent or address conflicts of interest that any employee may encounter in their dealings with the company. Its purpose is to prevent personal, professional, financial or other relationships from interfering with their objectivity or loyalty due to having private interests that differ from those of the company.
- ◆ **These corporate policies are binding on the entire Group.** Furthermore, we will promote their application among companies and third parties with which we maintain commercial or collaborative relationships. Both the staff and third parties can consult them through our website.

The company Management also promotes periodic outreach activities through internal communication channels, which remind everyone of the content and objectives of the Code of Ethics and the Corporate Policies that implement it.

In addition, mandatory training activities have been implemented for the entire workforce to raise awareness and educate them on the company's corporate culture. Specifically, the following training courses have been implemented:

- ◆ **Code of Ethics:** explains the basic principles that should govern the behavior of the company and its staff.
- ◆ **Anti-corruption and fraud policy:** addresses crucial issues such as bribery, money laundering, privacy, export controls and economic sanctions, as well as accounting fraud.
- ◆ **Human Rights Policy:** focused on preventing workplace harassment and protecting rights such as equal treatment and opportunities, decent employment, respect for the environment and safety in all its forms.



- ◆ **Conflict of interest policy:** helps identify a conflict of interest and explains the guidelines for handling it if it arises.
- ◆ **Competition rules compliance policy:** includes relevant topics such as cartels, the exchange of sensitive information, vertical restraints and the obligation to cooperate with competition authorities.

In addition to corporate policies, at Sidenor we work on developing other policies, such as:

- ◆ **Integrated Policy:** includes the principles to which we are committed in terms of Health and Safety, Environment, Quality, Energy and Information Security, as we understand our activity as a whole.
- ◆ **Purchasing Policy:** sets out the basic principles applicable to the acquisition of the goods and services that are necessary for the development of our business, under the best possible conditions of quality, service and cost, reflecting our staff's commitment to cordial, transparent, and honest treatment in each and every one of their actions..

- ◆ **Healthy Company Policy:** defines our line of work to benefit the health of our workers, as indicated by the World Health Organization, with the aim of generating a better company climate that benefits all parties.

We maintain a work environment free from all discrimination and any conduct involving personal harassment, supported by an Equality Plan (described in Chapter 3: We strengthen society) and a Protocol for Action against Reports of Harassment and Acts of Violence in the Workplace. This protocol is available to all employees and is also included in the Human Rights Policy training, which includes a specific section on harassment prevention.



## Corruption and bribery

Our Code of Ethics establishes that all business and professional activities carried out by both the company and our professionals must be based on integrity, carried out in accordance with the principles of honesty, avoiding all forms of corruption, and respecting the particular circumstances and needs of all those involved. This principle is specifically developed in the Anti-Corruption and Fraud Policy, which establishes the guidelines that should guide the conduct of the entire staff to combat corruption and fraud, avoiding obtaining any type of benefit when it is based on an illicit business or action or when it contravenes the provisions of the Code of Ethics and the corporate policies that implement it.

In line with the basic principle of ethical integrity, our Code and the corporate policies that develop it prohibit bribery of authorities and public officials, as well as giving or receiving from third parties

improper payments of any kind, or gifts, handouts or favours that are outside of market custom or that, due to their value, characteristics or circumstances, may condition or appear to condition decision-making for the benefit of Sidenor, or could induce the thought of possible preferential treatment, whether real or not.

According to said documents, any company staff member who becomes aware or has reasonable suspicion of a breach of the established guidelines must immediately report it to their superior or the Human Resources manager at their workplace. This report can also be made anonymously or confidentially, as explained in section 4.5 (Ethics Channel).

In 2024, no complaints related to corruption, bribery or money laundering were received at any of the Group's companies.

## Criminal risk prevention

In 2016, we implemented a criminal risk prevention model to reduce the risk of offence commission in the course of business and professional activities. Once we have identified the criminal risks that could potentially affect the company, including corruption, bribery, influence peddling and money laundering, our criminal risk prevention model seeks to prevent and mitigate the commission of such offences, either fully or partially, through the periodic implementation of a series of controls.

Since its implementation, the model has been periodically reviewed to adapt it to changes in the organization, new business circumstances, and the results of the review and analysis of the processes exposed to the risks of offence commission stipulated in the reference regulations.

In 2024, we evaluated our criminal risk prevention model based on the requirements established in the Spanish Criminal Code and comparing it with other reference regulations or standards to identify areas for improvement and development. We are currently working on implementing the recommendations identified during the analysis process.

# Supporting human rights

In 2023, we renewed our Human Rights Policy, thus reaffirming our commitment to this area, as established in the Universal Declaration of Human Rights. This Policy sets forth the principles and guidelines that we must follow in all our activities, as well as in relation to our staff and third parties.

To fulfill the objectives and commitments outlined in this Policy, we adopt and promote the following ten basic principles:

## 01 Avoiding discriminatory practices

We are committed to ensuring a work environment free from discrimination based on gender, race, ethnic origin, religion, age, disability, political or union affiliation, sexual orientation, nationality, civil status or socioeconomic status, and from any conduct that constitutes personal harassment. We value the principle of equal treatment and opportunities between women and men, as reflected in our renewed Equality Plan (2024-2028).

## 02 Promoting diversity

We are committed to providing a work environment that values diversity and the richness of an international culture.

## 03 Rejecting the use of forced and child labor

We are committed to preventing any cases of forced labor or child labor exploitation in any of our activities.

## 04 Offering decent employment and fair working conditions

We are committed to fair compensation commensurate with the skills and knowledge of our staff, complying with labor laws everywhere we operate; to guaranteeing our workers' right to rest; and to promoting a balance between personal and professional life through work-life balance. We also offer equal opportunities for professional development. In this regard, we are committed to maintaining a policy of investment in the learning and personal and professional development of our staff.





## 05 Protecting people's health

We are committed to providing a safe and healthy work environment by scrupulously complying with applicable legal requirements regarding occupational health and occupational risk prevention.

## 06 Respecting the environment

Respecting the environment. The protection of the environment and natural resources, along with combating climate change and supporting sustainable economic development, are important factors in the planning, operation and development of our activities. We are therefore committed to respecting the environment as much as possible in the development of our activities and minimizing any negative effects they may generate.

We actively contribute to the conservation of natural resources and areas of ecological, scenic, scientific, or cultural interest. We respect land ownership and use, as well as the right to natural resources, including water, by making rational and sustainable use of them.

## 07 Facilitating collective bargaining and freedom of association

We respect the right to freedom of union association and collective bargaining. We foster a constructive environment in our relationships with our staff's representatives in order to promote continuous improvement in labor relations. We also facilitate, to the extent possible, the freedom for individuals to meet and discuss relevant issues related to their employment. We are also committed to protecting people, interests, property and knowledge.

## 08 Not supporting violence

This principle is based on risk analysis and the implementation of mitigation measures to protect people, their interests, property and knowledge, avoiding the use of weapons and force in the exercise of security.

## 09 Guarantee the right to privacy

We are committed to requesting and using only the data that is necessary to effectively manage our business or whose verification is required by applicable regulations. We also take all necessary measures to reserve the confidentiality of personal data and ensure that its transmission, when necessary for business reasons, complies with current legislation.

## 10 Promoting commitment to Human Rights throughout the value chain

We disseminate our commitment to Human Rights throughout our entire value chain. Furthermore, we commit to sharing this policy with suppliers, contractors, collaborating companies, customers and third parties, encouraging the development of their own policies on the matter. If they do not have one, we urge them to subscribe to Sidenor's.



# Security of information

Cybersecurity goes beyond being a preventative measure: it is a commitment to trust and integrity. The constant threat of cyberattacks underscores the importance of staying vigilant and ahead of the curve. At Sidenor, we guarantee information security through recognized certifications that demonstrate our commitment to international standards, establishing a robust management framework.

These credentials not only strengthen our company's security posture but also inspire confidence in customers and partners. Investing in cybersecurity and obtaining relevant certifications not only protect digital assets but also build a solid foundation for secure and trustworthy business relationships.

The company has thus obtained the ISO 27001 Information Security Management System Certification, an international standard that harmonizes the requirements associated with the implementation of information security management systems in organizations. In addition, we are certified in TISAX, a standard exclusive to the automotive sector regarding information security in organizations. It is worth noting that, in February 2025, we completed the

re-certification audit for ISO 27001, in its new 2002 version (with a broader scope: 'Information security, cybersecurity and privacy protection'). Likewise, we have also completed the renewal audit for the TISAX labels, both certifications covering all Sidenor plants.

In 2024, we launched various campaigns under the slogan 'Ciberseguramente' to raise awareness about the importance of cybersecurity in our daily work, with the aim of being vigilant and reducing risks. These initiatives will continue throughout 2025.



We promote cybersecurity through various recognized international certifications and standards and internally raise awareness of this threat and its risks



## Ethics channel

At Sidenor, we offer the staff and third parties a way to report any well-founded suspicion of a breach of the Code of Ethics, the corporate policies that implement it, or any other guideline or standard of conduct that must be followed in the company, as well as to express doubts, concerns, or complaints about their content. This report can be made anonymously or confidentially, through the email address [codigoetico@sidenor.com](mailto:codigoetico@sidenor.com) or the Ethics Channel on our website. This channel is available so that anyone, acting in good faith, can make inquiries and report breaches anonymously or confidentially.

We have a procedure to manage the internal information system, ensuring that the complaint is handled impartially and objectively. Furthermore, we are committed to adopting the necessary measures to avoid adverse consequences or any type of retaliation against those who, acting in good faith, use the channels established for reporting potential conduct contrary to the principles set forth in this Code and in the policies and guidelines that implement it. In 2024, two complaints were processed under this procedure, while none occurred in 2023.



# Report profile

With this Corporate Report, we want to share our corporate, social, environmental and economic performance during the 2024 financial year with all our stakeholders as well as the society in general. We thus express once again our commitment to transparency, value creation and fluent communication.

Our main activity, both in terms of turnover and number of professionals, is focused in Spain. For this reason, this report does not include data on our international sales offices (Germany, France, Italy and the United Kingdom), which only deal with the commercialization of our products. The related data are therefore outside the scope of this document. The information related to the companies purchased in 2023 (Miguel Martín S.L. and Eguzkin S.L.) and in 2024 (Eplus Reciclaje y Gestión

Integral de Residuos S.L.U.) has not been included in this document either, as this new element shows little materiality.

By issuing this Report, which is part of the 2024 Management Report of Sidenor Holdings Europa S.A.U., we comply with Article 49 of the Commercial Code as regards disclosure of non-financial information, by virtue of the amendment effected by Law 11/2018, of December 28<sup>th</sup>.

The herein contained information has been collected and is presented according to our company's principles of transparency, clarity, comparability.

## Company



## Country

Spain

## Period covered

2024

## Frequency

Annual

## Registered office

Barrio Ugarte s/n. 48970 (Vizcaya - Biscay)

## More information



[communication@sidenor.com](mailto:communication@sidenor.com)



+34 94 487 1615



[www.sidenor.com](http://www.sidenor.com)



05

# ANNEXES

# Annexes.

## Reference table with regard to Law 11/2018 requirements

Content index according to the requirements of Law 11/2018 as regards non-financial and diversity information

Area	Contents	Chapter/s*
<b>General matters</b>		
Business model	Short description of the Company's business model, including: 1. Its business environment. 2. Its organization and structure. 3. The markets where it operates. 4. Its objectives and strategies. 5. The main factors and tendencies which might affect its future evolution.	(Letter from the Chairman); GRI 2-22. (Chapter 1: Sidenor: a steel-strong commitment); GRI 2-1, GRI 2-6. (Chapter 4: Our responsible leadership); GRI 2-9.
Policies	Description of the policies pursued by the company in relation to those matters, including: 1. Due diligence processes implemented for the identification, evaluation, prevention and mitigation of significant risks and impacts. 2. Verification and control procedures, including the measures adopted.	(Chapter 1: Sidenor: a steel-strong commitment). (Chapter 2: Our response to the environmental challenge). (Chapter 3: We strengthen society); GRI 3-3 Management of material topics - each area within the Economic, Environmental and Social dimensions.
Short-, medium- and long-term risks	The principal risks related to those matters linked to the Group's operations including, where relevant and proportionate, its business relationships, products or services which are likely to cause adverse impacts in those areas.	(Chapter 1: Sidenor: a steel-strong commitment); GRI 3-3 Management of material topics - each area within the Economic, Environmental and Social dimensions, GRI 2-12.
<b>Environmental matters</b>		
Global environment	1. Detailed information on the current and foreseeable impacts of the company's operations on the environment, and, as appropriate, on health and safety as well as environmental evaluation and certification procedures. 2. Resources dedicated to the prevention of environmental risks 3. Application of the precautionary principle, quantity of provisions and safeguards for environmental risks.	(Chapter 2: Our response to the environmental challenge); GRI 3-3 Management of material topics - each area within the Environmental dimension (Chapter 1: Sidenor: a steel-strong commitment); GRI 2-23.
Pollution	1. Measures for preventing, reducing or remedying carbon emissions which seriously affect the environment. 2. Consideration of any form of specific air pollution of an operation, including noise and light pollution.	(Chapter 2: Our response to the environmental challenge); GRI 3-3 Management of material topics - Emissions/Biodiversity.

\* Reference to GRI 2021 if not otherwise indicated.

Area	Contents		Chapter/s*
Environmental matters			
Circular economy and waste prevention and management	Circular economy.	(Chapter 1: Sidenor: a steel-strong commitment), (Chapter 2: Our response to the environmental challenge); GRI 3-3 Management of material topics - Effluents and Waste, GRI 301-2 (2016).	
	Waste: Prevention, recycling, reuse measures and other forms of waste recovery and disposal.	(Chapter 2: Our response to the environmental challenge); GRI 3-3 Management of material topics - Effluents and Waste, GRI 306-2 (2020).	
	Actions against food waste.	No material given the Group's activity.	
Sustainable use of resources	Water consumption and supply according to local limitations.	(Chapter 2: Our response to the environmental challenge); GRI 303-3 (2018).	
	Consumption of raw materials and measures taken to improve raw materials use efficiency.	(Chapter 2: Our response to the environmental challenge); GRI 3-3 Management of material topics - Environment, GRI 301-1 (2016), 301-2 (2016).	
	Direct and indirect consumption of energy, measures taken to improve energy efficiency and the use of renewable energies.	(Chapter 2: Our response to the environmental challenge); GRI 3-3 Management of material topics - Energy, GRI 302-1 (2016).	
Climate change	Important elements of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces.	(Chapter 2: Our response to the environmental challenge); GRI 3-3 Management of material topics - Emissions, GRI 305-1 (2016), 305-2 (2016).	
	Measures taken to adapt to the consequences of climate change.	(Chapter 2: Our response to the environmental challenge); GRI 3-3 Management of material topics - Emissions.	
	Voluntarily established reduction targets in the medium and long term to reduce greenhouse gas emissions and means implemented to this end.	(Chapter 2: Our response to the environmental challenge); GRI 3-3 Management of material topics - Emissions.	
Biodiversity protection	Measures taken to preserve or restore biodiversity.	No material, as Sidenor worksites are not located in areas that are relevant in terms of biodiversity.	
	Impacts caused by activities or operations in protected areas.		
Social and employee-related matters			
Employment	Total number and distribution of employees by gender, age, country and professional category	(Chapter 3: We strengthen society); GRI 3-3 Management of material topics - Employment, 2-7, 405-1- (2016). The information provided is not disaggregated by professional category.	
	Total number and distribution of labor contract modalities.	(Chapter 3: We strengthen society); GRI 2-7.	
	Annual average of permanent contracts, temporary contracts and part-time contracts by gender, age and professional category.	(Chapter 3: We strengthen society); GRI 2-7, 405-1 (2016). The information provided is not disaggregated by professional category.	
	Number of dismissals by gender, age and professional category.	(Chapter 3: We strengthen society); GRI 401-1 (2016). The information provided is not disaggregated by professional category, gender or age.	
	Average wages and their evolution disaggregated by gender, age and professional category or similar value.	(Chapter 3: We strengthen society); GRI 401-1 (2016). The information provided is not disaggregated by professional category, gender or age.	

\* Reference to GRI 2021 if not otherwise indicated.

Area	Contents	Chapter/s*
<b>Social and employee-related matters</b>		
Employment	Wage gap, remuneration for equal working positions or on average in the company.	(Chapter 3: We strengthen society); GRI 3-3 Management of material topics - Employment, 405-2 (2016).
	Average wage of executives and directors, including variable remuneration, allowances, compensations, payments to long-term savings pension systems, and any other payments disaggregated by gender.	Information omitted.
	Implementation of disconnection-from-work policies.	(Chapter 3: We strengthen society); GRI 3-3 Management of material topics - Employment.
	Employees with disabilities.	(Chapter 3: We strengthen society); GRI 405-1 (2016).
Organization of work	Organization of working time.	(Chapter 3: We strengthen society); GRI 3-3 Management of material topics - Employment.
	Number of absence hours.	(Chapter 3: We strengthen society); GRI 403-9 (2018).
	Measures aimed at facilitating conciliation and fostering its jointly responsible enjoyment by both parents.	(Chapter 3: We strengthen society); GRI 3-3 Management of material topics - Employment.
Health and safety	Health and safety conditions at work.	(Chapter 3: We strengthen society); GRI 3-3 Management of material topics - Health.
	Occupational accidents, in particular their frequency and severity, disaggregated by gender.	(Chapter 3: We strengthen society); GRI 403-9 (2018). The information provided is not disaggregated by gender.
	Occupational diseases, disaggregated by gender.	(Chapter 3: We strengthen society); GRI 403-10 (2018). L The information provided is not disaggregated by gender.
Social relations	Organization of social dialogue, including processes aimed at informing, consulting and negotiating with the staff.	(Chapter 3: We strengthen society); GRI 3-3 Management of material topics - Labor-management relations.
	Percentage of employees covered by collective agreements by country.	(Chapter 3: We strengthen society); GRI 2-30.
	Assessment of collective agreements, notably in the field of health and safety at work.	(Chapter 3: We strengthen society); GRI 403-4 (2018).
	Mechanisms and procedures available to the company in order to promote workers' involvement in company management, in terms of information, consultation and participation.	(Chapter 3: We strengthen society); GRI 3-3 Management of material topics - Labor-management relations.
Training	Policies implemented in the training area.	(Chapter 3: We strengthen society); GRI 3-3 Management of material topics - Labor-management relations.
	Total quantity of training hours by professional category.	(Chapter 3: We strengthen society); GRI 404-1 (2016). The information provided is not disaggregated by professional category.
Universal accessibility of people with disabilities		(Chapter 3: We strengthen society); GRI 3-3 Management of material topics - Diversity and Equal opportunity + Non-discrimination.
Equality	Measures taken to promote equal treatment and opportunities between women and men.	
	Equality plans (Chapter III of Organic Law 3/2007, of March 22, for effective equality between women and men), measures taken to promote employment, protocols against sexual harassment and harassment on grounds of sex, integration and universal accessibility of people with disabilities.	(Chapter 3: We strengthen society); GRI 3-3 Management of material topics - Diversity and Equal opportunity.
	Policy against all forms of discrimination and, when applicable, diversity management.	

\* Reference to GRI 2021 if not otherwise indicated.



Area	Contents	Chapter/s*
<b>Human rights</b>		
Application of due diligence processes in terms of human rights.		(Capítulo 3: Fortalecemos a la sociedad), (Capítulo 4: Lideramos con responsabilidad); GRI 3-3 Gestión de los temas materiales de evaluación de derechos humanos y no discriminación.
Complaints regarding human rights violations.		(Chapter 4: Our responsible leadership); GRI 406-1 (2016).
Promotion of, and compliance with the fundamental conventions of the International Labor Organization on freedom of association and the right to collective bargaining.		(Chapter 3: We strengthen society); GRI 407-1 (2016) (Chapter 4: Our responsible leadership); GRI 2-23.
Elimination of discrimination in employment and occupation.		(Chapter 3: We strengthen society), (Chapter 4: Our responsible leadership); GRI 3-3 Management of material topics - Non-discrimination, GRI 406-1 (2016).
Elimination of forced or compulsory labor.		(Chapter 4: Our responsible leadership); GRI 409-1 (2016).
Effective eradication of child labor.		(Chapter 4: Our responsible leadership); GRI 409-1 (2016).
<b>Corruption and bribery</b>		
Measures taken to prevent corruption and bribery.		(Chapter 4: Our responsible leadership); GRI 3-3 Management of material topics - Non-discrimination, GRI 2-23, 2-26, 205-2 (2016), 205-3 (2016).
Measures against money laundering.		(Chapter 4: Our responsible leadership); GRI 205-2 (2016).
Contributions to foundations and non-profit entities.		(Chapter 3: We strengthen society); GRI 413-1 (2016).
<b>Society</b>		
Company commitments to sustainable development	Impact of the company's activity on local employment and development.	(Chapter 3: We strengthen society); GRI 3-3 Management of material topics - Local Communities and Indirect Economic Impacts, GRI 413-1 (2016).
	Impact of the company's activity on local populations and in the region.	(Chapter 3: We strengthen society); GRI 413-1 (2016).
	Relations with local community actors and modalities of the dialogue with them.	(Chapter 3: We strengthen society); GRI 2-29.
	Partnership or sponsorship actions.	(Chapter 3: We strengthen society); GRI 2-28.
Subcontracting and suppliers	Inclusion of social, gender equality and environmental issues in purchasing policy.	(Capítulo 3: Fortalecemos a la sociedad); GRI 2-6, GRI 3-3 Gestión de los temas materiales de prácticas de adquisición, 204-1 (2016), 308-1 (2016), 414-1 (2016).
	Monitoring and audit systems and their results.	(Chapter 3: We strengthen society); GRI 3-3 Management of material topics - Procurement Practices.

\* Reference to GRI 2021 if not otherwise indicated.

Area	Contents	Chapter/s*
<b>Society</b>		
Consumers	Measures in favor of consumer health and safety.	(Chapter 1: Sidenor: a steel-strong commitment); GRI 3-3 Management of material topics - Consumers.
	Grievance systems, complaints received and resolution thereof.	(Chapter 1: Sidenor: a steel-strong commitment); GRI 3-3 Management of material topics - Consumers.
Tax information	Benefits obtained country by country.	(Main figures), (Chapter 1: Sidenor: a steel-strong commitment); GRI 3-3 Management of material topics - Economic Performance.
	Profit taxes paid.	(Chapter 1: Sidenor: a steel-strong commitment); GRI 3-3 Management of material topics - Economic Performance.
	Public subsidies received.	(Main figures); GRI 201-4 (2016).

\* Reference to GRI 2021 if not otherwise indicated.

### Central offices

Barrio Ugarte s/n. 48970 Basauri (Viscaya - Biscay)

### For more information



[communication@sidenor.com](mailto:communication@sidenor.com)



+34 94 487 1500



[www.sidenor.com](http://www.sidenor.com)

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