

ENVIRONMENT AND RESOURCE MANAGEMENT POLICY

The Board of Directors of Barna Steel S.A., on behalf of the entire **Celsa Group**, in the context of its general and non-delegable power to determine the general policies and strategies of Celsa Group, has approved this *Environment and Resource Management Policy* (from now on, the '**Policy**').

I. Purpose

The aim of this Policy is to define and establish the general principles governing our environmental and resource management activities.

The activity of Celsa Group, its impact, and the use of resources that are required to impose a clear commitment to the protection of the environment and the continuous improvement of our environmental behaviour. Since our most relevant industrial processes are potentially polluting, Celsa Group assumes that respect for the environment and efficiency in the use of resources are fundamental elements in carrying out its activity and this is formalised in this Policy.

This Policy reflects Celsa Group's Purpose: '*We give infinite lives to finite resources*' and shows how Celsa Group proactively addresses protecting the environment and using natural resources efficiently. This is demonstrated by the continuous implementation of the best available technologies for the sector, thereby contributing to the reduction of environmental impact.

Therefore, the different levels of the Celsa Group organisation and the other Group companies are committed to apply continuous improvement in all our processes and to develop and invest in new technologies that enable us to prevent and minimise atmospheric emissions, waste, and the inefficient use of resources. They are also committed to consider the life cycle of their products to determine the environmental aspects and impacts from an holistic point of view.

In turn, Celsa Group is aware that these commitments are relevant aspects for satisfying its stakeholders, fulfilling their requirements and for user satisfaction, all under the fundamental premise of making them compatible with respect for the environment and improving energy efficiency.

II. Scope

This Policy applies to Celsa Group and all group companies, considering their specific characteristics. Celsa Group will work to ensure that the policies of its Group companies are in line with this Policy.

III. General principles

At Celsa Group we make a significant contribution to environmental preservation and efficient management resources and are guided by the following general principles:

1. In our activity:

- Strictly comply with national and international legislation, in all territories where we operate, adhering to initiatives and programmes to protect the environment and improve our impacts.
- Integrate conservation of resources and natural capital as a key element in Celsa Group's decision-making, corporate strategy, and in our activities, establishing objectives that guarantee its responsible management.
- Carry out our activity based on a production system that respects the environment, following a circular economy model and following legal obligations and voluntary commitments and agreements signed by Celsa Group on environmental issues.
- Use natural resources efficiently and responsibly, including water and energy, prioritising the reduction of their consumption and the use of renewable or recycled resources if possible.
- Consider and assess the negative impacts of our activity by establishing indicators, objectives, and processes that enable continuous monitoring and evaluation of the management of natural capital in our environment with periodic reviews of environmental objectives and goals.

- Minimise and promote the offsetting of the impacts of our activity on the environment and the biodiversity of the surroundings in which we carry out our business, both equipment and facilities and the products manufactured, through the use of the best technologies available and affordable to the company.
- Promote innovation, efficiency, continuous improvement in all our processes and activities, and the development of new products, services, and solutions around steel, which help create economic value, sustainable development, and the efficient use of our natural capital, all from a life cycle analysis approach.
- Improve the waste management generated, applying appropriate measures to reduce, recover, recycle, and to ensure the correct disposal of non-recoverable waste.
- Support the acquisition of energy-efficient and environmentally friendly products and services and building designs to improve the energy and environmental performance of Celsa Group.

2. With our professionals and our value chain:

- Train our professionals, suppliers, contractors, and collaborating companies in environmentally friendly practices and the responsible use of natural resources, including water and energy.
- Promote the environmental commitment of everyone linked to our business, including managers, professionals, contractors, customers, and suppliers, making awareness, information, and training an essential tool.
- Communicate openly and transparently about our environmental performance with all interested parties with the aim of achieving an environmentally friendly integration into our surroundings.
- Establish and maintain the relevant systems and procedures for the proper management and implementation of this Policy.

IV. Objectives

To achieve the implementation of our commitment to the environment and the efficient, responsible, and sustainable management of resources, Celsa Group has the following objectives:

- To apply continuous improvement in all our processes and to develop and invest in new technologies that enable us to prevent and minimise atmospheric emissions, waste generation, and inefficient use of resources.
- To promote the recovery, recycling, and reuse of our products and work with our stakeholders to raise awareness of the life cycle of steel. In particular, by participating in initiatives that encourage the use of environmentally responsible products, for example:
 - The use of ferrous scrap as a raw material. Specifically, in the melt shops, the waste recycling process converts it back into a commercial product.
 - Recycle and use the waste generated during the iron and steel process. This has a high capacity for use as secondary raw material for processes such as road construction or for reuse in the process of obtaining steel.
- Work with proven, certified environmental management systems adapted to the nature of our activities that ensure care and respect for the environment, encouraging each Celsa Group professional to act in an environmentally responsible manner.
- To develop an integrated management system, the *Celsa Management System* (CMS), which includes an excellent level of exigency in the control of processes, as well as quality and compliance with the requirements applicable to the products and services we offer.
- To promote the environmentally responsible action of our value chain, considering their needs and expectations, signing commitments and voluntary agreements with our closest communities in environmental improvement projects, and disseminating and training in environmental matters of workers and neighbours.

V. Commitment to circularity

Celsa Group is firmly committed to the recovery and use of waste generated during the steelmaking process to promote the circular economy. Waste management not only allows Celsa Group to be more sustainable but is a core business element.

Celsa Group invests to increase recovery rates and opens new lines of businesses linked to recycling, and the treatment of plastics, other non-ferrous metals, and wood using pioneering techniques.

Innovation is crucial and has enabled Celsa Group to position itself as a leader in the circular industry and in the decarbonisation of the sector to become 98% circular by 2030 and reduce waste to zero by 2050.

This Environment and Resource Management Policy was updated by the Board of Barna Steel, S.A., representing the entire Celsa Group, on 2023, July 13th.