

Purchasing Policy

Approved by the Board of Directors of CELSA STEEL on October 30, 2025

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1. Objective and scope

Objective: To establish guidelines and responsibilities to ensure that the procurement of goods and services necessary to ensure the operations of the Celsa Group is carried out based on the principles of ethics and sustainability, and to ensure transparency and traceability, in compliance with the regulations promoted by CELSA.

Scope: This policy applies to all members and companies of the Celsa Group and is valid as of its publication. Each employee and company must comply with and support the implementation of its principles.

2. Definitions

Purchases: Goods and services acquired from the General Purchasing, Circularity, and Supply Chain departments.

Suppliers: companies or individuals that supply goods and/or services.

Sustainability principles: criteria for the acquisition of goods or contracting of services, giving priority to those that favor the preservation of natural resources, especially water and energy, and the environment, that mitigate the effects of climate change, prevent water, air, and soil pollution, respect the fundamental rights of individuals, and have a positive impact on society and promote local purchasing.

Energy efficiency principles: criteria for promoting the selection of suppliers and materials that optimize energy use during production and delivery.

Traceability: the ability to know the origin and journey of products, materials, or services purchased throughout the supply chain. Traceability is crucial to ensuring transparency and integrity in procurement processes, especially with regard to compliance with environmental, human rights, and ethical standards.

Confidential information: exclusive and sensitive information, the content of which must be kept secret, because its unauthorized disclosure could cause harm to the Celsa Group.

Contract: a legally binding agreement between the parties that establishes the conditions governing a transaction involving goods or services.

3. Principles of the Purchasing Policy

Procurement management at the Celsa Group is based on ensuring the transparency, integrity, sustainability, and efficiency of all purchasing decisions. These principles apply across all purchasing and contracting processes and are aligned with the internal regulatory and ethical framework defined by current corporate policies:

- **Transparency and Traceability:** Purchasing decisions are made with absolute transparency, ensuring documentary traceability and access to information in accordance with *the Celsa Group's Code of Ethics and Professional Conduct*. Suppliers must promote transparency in their operations with the Celsa Group and be willing to provide information demonstrating their compliance with the regulations, laws, and standards that apply to them in each case.
- **Impartiality and Free Competition:** All suppliers will be treated fairly and objectively, in compliance with the *Regulatory Compliance Policy on Competition Defense*, ensuring open selection processes based on merit and without restrictive practices.
- **Ethics, integrity, and legality:** The conduct of professionals involved in purchasing processes is governed by the ethical principles established in the *Code of Ethics and Professional Conduct*, *the Criminal Compliance Policy*, and *the Celsa Group's Corruption and Bribery Prevention Policy*. The acceptance of gifts, favors, or incentives that may influence purchasing decisions is expressly prohibited. Likewise, the Celsa Group requires its suppliers to align themselves with the ethical principles set out in the aforementioned Policies. For its part, the Celsa Group encourages suppliers to make inquiries and/or reports related to practices contrary to this Policy, applicable legislation, or the Celsa Group's internal regulations, as established in the *Celsa Group's Internal Information System Policy*.
- **Prevention of Conflicts of Interest:** Any situation that could compromise objectivity in the purchasing process must be reported and managed in accordance with the *Conflict of Interest Management Policy*.
- **Efficiency, Effectiveness, and Quality:** Purchases must meet technical, quality, operational, and strategic requirements with the least possible consumption of resources. Priority will be given to solutions that comply with the quality and safety standards of the steel industry.
- **Sustainability and Social Responsibility:** Responsible purchasing practices that respect the environment, human rights, and working conditions are promoted. In line with the *Sustainability Framework Policy and the Counterparty Risk*

Management Procedure, suppliers are evaluated according to technical, financial, ethical, environmental, and social criteria, prioritizing those that adopt good environmental and social practices and excluding the purchase of products containing minerals from conflict or high-risk areas in accordance with Regulation (EU) 2017/821. Likewise, the selection of products and services that integrate energy efficiency and environmental impact reduction criteria is encouraged.

- **Security of Supply and Risk Management:** Measures are adopted to maximize the continuity of the supply of materials and services essential to production, identifying, evaluating, mitigating, and remedying the risks associated with the supply chain, in accordance with the principles of the Celsa Group's *Risk and Control Policy*.
- **Continuous Improvement and Supplier Development:** Innovation, mutual learning, and the constant improvement of processes and commercial relationships are encouraged, promoting the sustainable development of suppliers.
- **Budget Compliance and Internal Control:** All purchases must comply with approved budgets for responsible financial management. It is recognized that reasonable adjustments may be necessary due to operating or market conditions, which must be duly justified and documented. Internal controls are designed and implemented to ensure the efficiency and compliance of purchasing processes, audits, and monitoring of significant deviations, supported by financial information and document management systems, ensuring transparency in purchasing processes.
- **Confidentiality and Ethical Information Management:** Confidentiality is an essential principle for the integrity of purchasing processes, the protection of Grupo Celsa's strategic interests, and the preservation of its reputation in the market. All information exchanged with current or potential suppliers, including prices, commercial conditions, technical capabilities, and contractual terms, must be treated in accordance with the confidentiality criteria defined by Grupo Celsa.

4. Roles and Responsibilities

The implementation and compliance with the principles of this document requires the coordinated participation of various areas of the Celsa Group. The key responsibilities are detailed below:

By the Management Committee

- Review and approve this Policy and associated procedures.
- Lead the implementation of the Policy.
- Monitor the proper deployment of the Policy and its procedures.

By the Purchasing Departments

- Define and implement the Purchasing Policy.
- Oversee the evaluation of supplier performance.
- Manage the training of purchasing staff in relation to this Policy and its procedures.
- Report any breaches or deviations from the Purchasing Policy to the Management Committee.
- Ensure the proper management and storage of purchasing contracts.

By the Compliance Department

- Review the Policy and general purchasing procedures to ensure they are aligned with Celsa Group's internal regulations and the criminal prevention model.
- Encourage the use of the Ethics Channel by promoting its accessibility and confidentiality as a key tool for ensuring compliance with the principles of integrity in relation to our suppliers.

By the Legal Department

- Review contract revision requests together with the necessary supporting documentation.

By the Finance Department

- Verify and approve supplier information at the time of registration, considering tax, financial, and internal compliance criteria.
- Make payments, consulting invoices, amounts entered, and contractual conditions.
- Report any discrepancies found between the payment and this Policy and its attached procedures, and if applicable, reject the payment.

In order to ensure the effectiveness of this Purchasing Policy and promote a culture of continuous improvement, each department will establish key performance indicators (KPIs) and strategic objectives to evaluate the performance of purchasing processes and their alignment with the principles defined herein.

The Celsa Group will review these indicators annually and establish quantifiable objectives that allow for the detection of opportunities for improvement, potential risks, or deviations from the principles of this Policy. The results will be shared with relevant stakeholders and may be included in sustainability or compliance reports.

5. Approval, communication, and updating

Those responsible for Purchasing will review this Policy once a year and update it as necessary to maintain its relevance and effectiveness. Updates to this document must be approved by the Management Committee. Each time it is updated, those responsible for Purchasing will inform and train (as necessary) Celsa Group

employees involved in the purchasing process to ensure its proper implementation and compliance.

To facilitate access to its content by interested parties and recipients, this policy will be published on the Celsa Group's corporate website, as well as on its internal channels.

6. References and Related Documents

Internal Regulations:

- Code of Ethics and Professional Conduct.
- Criminal Compliance Policy.
- Corruption and Bribery Prevention Policy.
- Conflict of Interest Management Policy.
- Competition Law Compliance Policy.
- Sustainability Policy.
- Supply Chain Due Diligence Policy.
- Circular Economy Policy.

External Regulations:

- Public Procurement Law: If GRUPO CELSA is governed by public procurement regulations, this document must be mentioned.
- ISO 9001 Standard: "Quality Management System"
- ISO 14001 Standard: "Environmental Management System"
- ISO 45001 Standard: "Occupational Health and Safety Management System"
- ISO 50001 standard: "Energy Management System."
- Environmental regulations (non-exhaustive list):
 - Regulation (EU) 2025/40 on packaging and packaging waste
 - Regulation (EC) No. 1907/2006 of the European Parliament and of the Council of December 18, 2006, concerning the Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH)
 - Regulation (EU) 2017/821 of the European Parliament and of the Council of May 17, 2017, laying down supply chain due diligence obligations for Union importers of tin, tantalum, tungsten, their ores, and gold originating in conflict-affected and high-risk areas
 - Law 7/2022 on waste and contaminated soil for a circular economy, in line with sustainable procurement.
 - Royal Legislative Decree 1/2016, of December 16, approving the revised text of the Law on integrated pollution prevention and control.

Internal Procedures:

- *Purchasing and Procurement Procedures*: describe the purchasing flow from the detection of the need to the receipt and payment of the material and/or service.

- *Supplier Approval Procedure:* contains the criteria and methods for selecting the right suppliers for the company. It includes aspects of Corporate Social Responsibility (CSR), ethical practices in relation to human rights, the environment, and economic development.
- *Continuous Evaluation and Supplier Complaints Procedure:* contains guidelines for reviewing and validating purchases to ensure they meet established quality standards.