

THREE. *Ratification of the appointment by co-option, re-election and appointment as member of the Board of Directors of the External Director María Jesús Álvarez González.*

REPORT OF THE BOARD OF DIRECTORS ON THE PROPOSAL FOR THE RATIFICATION AND RE-ELECTION OF THE EXTERNAL DIRECTOR MARÍA JESÚS ÁLVAREZ GONZÁLEZ.

(i) *Introduction*

The Board of Directors of Duro Felguera S.A. (the “Company”) prepares this report in support of the ratification and re-election of María Jesús Álvarez González as External Director of the Company (the “Report”) by the General Meeting of Shareholders, in compliance with the provisions of section 5 of Article 529 decies of the Corporate Enterprises Act.

Pursuant to the aforementioned article, the Board of Directors must prepare a supporting report evaluating (i) the competence, (ii) experience and (iii) merits of the proposed candidate, which will be accompanied by a proposal prepared by the Appointments and Remuneration Commission.

(ii) *Purpose of the Report*

Within the framework of the foregoing, this Report is prepared by the Board of Directors of the Company to:

- a. justify the proposal for ratification and re-election for the maximum legally and statutorily established term of four years of the Director María Jesús Álvarez González by the General Meeting of Shareholders of the Company called to be held at first call on 11 April 2022 and at second call on 12 April 2023; and
- b. evaluate the competence, experience and merits of the candidate proposed as External Director.

All of the foregoing in the terms of section 5 of Article 529 decies of the Corporate Enterprises Act.

Within the framework of the foregoing, and in accordance with the provisions of section 6 of Article 529 decies of the Corporate Enterprises Act, the Appointments and Remuneration Commission has prepared and submitted to the Board of Directors a proposal for the ratification and re-election of María Jesús Álvarez González as External Director of the Company.

(iii) *Proposal of the Appointments and Remuneration Commission*

The Appointments and Remuneration Commission has proposed the ratification and re-election of María Jesús Álvarez González as External Director of the Company by the General Meeting of Shareholders, in view of, among other factors:

- a. María Jesús Álvarez González presents a highly qualified and suitable professional profile for the performance of the duties of director of the Company, both for her extensive experience and merits in relevant sectors, as well as for her profound knowledge in various business fields;
- b. the favourable opinions received from the other directors and, particularly, from the independent directors, in relation to her ratification and re-election as a director;
- c. the excellent performance carried out by her in the exercise of her office, from the very moment she took office;
- d. her previous experience allows us to appreciate that her participation in the Board of Directors brings significant advantages to this governing body; and
- e. she has adequate knowledge of the obligations incumbent upon her as a director of the Company, and a special sensitivity to issues relating to the good governance of a listed company.

All of the foregoing allows us to appreciate that her continuance on the Board of Directors, and the ratification and re-election as External Director, provides important advantages to this Governing Body.

(iv) Justification of the Board of Directors' proposal

The Board of Directors understands that, in order for a director to adequately perform his/her supervisory and control duties in the Company, she must adequately combine sufficient skills and competencies, among others, in the following areas:

- a. knowledge of the sectors in which the Company operates;
- b. experience and expertise in economic and financial aspects;
- c. have extensive experience and knowledge of the geographic markets relevant to the Company;
- d. experience in the industrial sector; and
- e. experience and expertise in management, leadership and business strategy.

The curriculum vitae of María Jesús Álvarez González substantiates her competence and merits to hold the position of director. Her extensive experience in sectors relevant to the Company and her in-depth knowledge in various business fields guarantee the contribution of pluralistic points of view to the discussion of matters in the Board of Directors.

The foregoing, as well as the reasons advocated by the Appointments and Remuneration Commission for such re-election (which this body endorses), leads the Board of Directors to understand that the ratification and re-election of María Jesús Álvarez González as Director of the Company is justified and appropriate, in the conviction that she contributes a profile to the Board of Directors that is considered valuable for the development of the Company's activity.

(v) Assessment of the candidate's competence, experience and merits

The competence, experience and merits of María Jesús Álvarez González can be seen in her curriculum vitae (attached hereto), from which her qualifications for re-election as a director are derived. By way of summary, it should be noted that the candidate has:

A degree in Law and Economics and Business Administration (Universidad Pontificia de Comillas- ICADE).

A lengthy career path which began in 1987 at the now-defunct INI (National Industry Institute), later at TENEO (1992-1996) and, at present, at SEPI.

She began her activity at INI as a technician in the Administration Department and later she was appointed Deputy Director of Administration (1988-1997), Director of Administration and Financial Management until 2018 and, from that date until today, CFO of the Sociedad Estatal de Participaciones Industriales, SA, SEPI.

In summary, the candidate, in the understanding of this Board of Directors, meets the requirements of competence, experience and merits necessary to continue to serve on the Board of Directors of the Company.

(vi) *Conclusions of the Board of Directors*

In view of the foregoing, the Board of Directors considers that the candidate has (i) the competence, (ii) experience and (iii) merits to continue as a member of the Board of Directors and, consequently, considers it justified that María Jesús Álvarez González be ratified and appointed as a member of the Board of Directors.

(vii) *Category of director to which she belongs or to which she should be assigned*

The candidate would have the status of External Director of the Company. It has been verified with the candidate her effective availability to provide the dedication required for the performance of the position.

(viii) *Proposed resolution to be adopted by the General Meeting of Shareholders*

In view of the foregoing, it is resolved to propose to the Company's General Meeting of Shareholders the adoption of the following resolution:

“To ratify the appointment of María Jesús Álvarez González, who was co-opted onto the Board of Directors at the meeting held on 26 June 2022, and to re-elect her for the maximum legal and statutory term of four years as an External Director.

In accordance with the proposal of the Appointments and Remuneration Commission and the Justifying Report of the Board of Directors, it is resolved to ratify and appoint María Jesús Álvarez González, of legal age, Spanish nationality, with address for these purposes at Avda. Byron 90 (Parque Científico y Tecnológico de Gijón) in Gijón, with the qualification of

External Director for the maximum legal and statutory term of four years”.

Gijón, 7 April 2023.

The Board of Directors