

**Annual General Meeting
May 23, 2024**

Address by

Guido Kerkhoff,
CEO of Klöckner & Co SE

(Check against delivery)

Ladies and Gentlemen,
Dear Shareholders,

Welcome to our Annual General Meeting.

I am delighted once again to engage in dialog with you in person here in Düsseldorf this year. Today, let's reflect on the past fiscal year at Klöckner & Co SE and, of course, also venture a look ahead to the coming period.

2023 was marked by a challenging environment. This was reflected in a persistently weak global economy, high inflation and the resulting monetary policy action taken by central banks. In addition, numerous heat records and weather extremes have once again highlighted the impact of the climate crisis.

These global challenges have been further compounded by geopolitical tensions. Last year, I said that 2022 would go down in history as a turning point due to the Russian war of aggression against Ukraine. That war is now in its third year. The Hamas terror attack on October 7 additionally led to a war between Israel and Hamas. These conflicts are having severe humanitarian consequences and a major impact on the global economy. They are contributing to a strained geopolitical situation that is dampening business optimism.

Amid the geopolitical tensions and economic uncertainties just mentioned, the European steel industry faces significant challenges. Overall demand for steel declined significantly in Europe and prices for steel and other metals have recently been very volatile. These developments present us with commercial challenges that mean we have to act strategically and be adaptable. In this environment, Klöckner & Co demonstrated its robustness and resilience through the fiscal year. Our solid performance testifies to the effective implementation of our corporate strategy, "Klöckner & Co 2025: Leveraging Strengths."

We made major progress here across many areas. And we have made important adjustments to ensure Klöckner & Co's future success. Allow me now to take a more detailed look at Klöckner & Co's development in the past year – and of course to provide you with a look ahead.

In our continuing operations, we slightly increased shipments in 2023 by around 1% year-on-year to 4,248 thousand tons. Given the current market situation, this is a success that we achieved as a team. As forecast, due to the lower level of steel prices compared to the prior year, Klöckner & Co's sales declined at Group level to around €7.0 billion in 2023. Despite the persistently challenging economic environment, the Company generated solid operating income (EBITDA) before material special effects of €190 million. Net income was close to break-even. Through consistent net working capital management, we generated a very strong and significantly positive cash flow from operating activities of €287 million (2022: €360 million).

For this performance in a challenging environment, I would particularly like to thank the team at Klöckner. Your commitment and expertise were crucial to achieving these results even under difficult conditions.

From this basis, Klöckner & Co made a solid start to 2024 and increased shipments by 5% year-on-year to 1.1 million tons in the first quarter. Despite the persistent economic challenges and a lower price level, we generated sales of €1.7 billion. EBITDA before material special effects, at €42 million, was considerably higher than in the preceding quarter. The net loss from continuing operations amounted to €8 million in the first quarter (Q1 2023: net income of €24 million). Cash flow from operating activities was a negative €44 million in the first quarter, compared to a positive cash flow of €47 million in the prior-year quarter.

Let me now give you a clear overview of our EBITDA performance last year and in the first three months of this year. Despite a decline due to significant negative price effects, we generated EBITDA of €190 million. This underscores our Company's resilience and strength. The solid business development is also demonstrated by EBITDA in the first quarter of 2024: In 2023, we started the year with EBITDA of €70 million after material special effects. The market situation in the first quarter of 2024 was more challenging, but we still generated EBITDA of €37 million after all material special effects.

I am therefore pleased that we are able to offer you, our shareholders, a dividend for what is now the third time in a row. This continuity is encouraging and reflects our ongoing financial

stability, which notably shows through in our strong and significantly positive cash flow from operating activities of €287 million. We are therefore proposing a dividend of €0.20 per share for the past fiscal year.

As I mentioned at the beginning, 2023 presented us with considerable challenges, with a market environment shaped by a weakening global economy, high inflation rates and the resulting restrictive policies adopted by central banks.

These global trends have had an impact on our Company and are reflected in our share price performance. By the end of 2023, our share price fell by 26% compared to the prior year-end. Our performance thus fell short of the SDAX, which gained around 17% in the same period.

In March 2023, SWOCTEM GmbH, whose shareholder is Prof. Dr. E.h. Friedhelm Loh, submitted a voluntary public takeover offer for all shares in the company to all shareholders of Klöckner & Co SE. Following this offer, SWOCTEM GmbH increased its stake in Klöckner & Co SE to approximately 41.53%, thus strengthening its long-standing position as our largest shareholder. In this context, I would like to emphasize that we welcome the support of Prof. Dr. E.h. Friedhelm Loh in the successful implementation of our corporate strategy and that we have the shared goal of creating added value for all shareholders.

Klöckner & Co developed strongly in the past year and laid the basis for further growth in 2024. We have taken targeted steps to significantly strengthen our Company's asset and profitability base.

In August 2023, we completed the acquisition of National Material of Mexico. With this move, we significantly expanded our presence in Mexico and strengthened our position in a region that is of crucial importance to the automotive and industrial sectors. Since the company's integration into our US subsidiary Kloeckner Metals Corporation, customers have already requested over 70,000 tons in additional volume, which has significantly exceeded our expectations.

We also completed a further strategic step with the sale of parts of our European distribution business in February 2024. This sale enables us to focus our resources and know-how on higher

value-added business, or HVAB, and on the processing and fabrication business – a sector that not only has higher margins, but also more constant demand and long-term customer relationships.

We have also further expanded in HVAB through acquisitions. With the acquisition of Industrial Manufacturing Services and Sol Components in North America, we have supplemented our capabilities in the area of metal component manufacturing and structural solutions for the solar industry. These steps, too, help to reduce our dependence on volatile steel prices. The acquisition of Sol Components in particular allows us to play a key role in the transition to renewable energy sources in North America. We have also undertaken capacity expansion in our core markets, such as at American Fabricators.

Finally, I would like to highlight our accelerated transformation of stockholding locations into HVAB centers in Germany, a step that further enhances our efficiency and thus strengthens our positioning in this country.

As I have already mentioned, we took key steps last year to focus Klöckner & Co on more profitable business areas. We have sold parts of our European distribution business, parting with our country organizations in France, the UK, the Netherlands and Belgium.

Our portfolio optimization allows us to increase our focus on what is now our largest market of North America and our attractive European activities in Germany, Austria and Switzerland. That enables us to reduce complexity while increasing our profitability and resilience. This strategic focus is expected to generate an additional €100 million in annual EBITDA.

Ladies and Gentlemen,

As you can see, our focus on higher value-added business is already paying off. Reducing our reliance on low-margin, cyclical distribution is a key priority for us. The sale of the distribution business in France, the United Kingdom, the Netherlands, and Belgium last year was a significant and important step in this direction.

HVAB has contributed continuously to EBITDA both in recent years and in the first quarter of 2024. Compared to fiscal year 2019, we have increased our HVAB share of sales by almost 10

percentage points to 33% in fiscal year 2023. Looking ahead, we will continue to systematically expand this profitable and more stable business area.

I'd now like to take a few minutes to explain the progress of our strategic sustainability initiatives over the past year.

At Klöckner & Co, we continue to see the decarbonization of the steel industry as a strategic opportunity for ourselves and our customers. We reached a significant milestone in 2023 by achieving a reduction in our Scope 1 and 2 emissions by around 52% relative to 2019. This means we have already achieved our near-term target. This clearly demonstrates our commitment to reducing greenhouse gas emissions from our own operations.

We are continuing on the same path under our Nexigen® umbrella brand by forging further partnerships geared to a sustainable future for the steel industry. Among other partners, we are working with Salzgitter and the GMH Group to help increase the availability of high-quality green steel. The first such delivery has already been made, underscoring our customers' growing interest in CO₂-reduced products.

We also launched Nexigen® Data Services, an innovative solution that enables our customers to smartly and digitally manage their product CO₂ emissions. This helps our customers choose greener alternatives and identify the reduction potential in their products. With the Nexigen® PCF algorithm, we provide transparency and visibility on CO₂ emissions for almost all of our products.

By actively supporting the development of sustainable value chains, Klöckner & Co is making an important contribution today to climate change mitigation and the sustainability of the steel industry. I look forward to the next steps we will take with our Nexigen® umbrella brand as we move toward a greener future.

Shareholders, Ladies and Gentlemen,

Now that we have taken a look back, let's turn our attention to the year ahead.

All in all, I can say that we at Klöckner are confident about the future.

For the second quarter of 2024 at Klöckner & Co, we expect a considerable increase in shipments and sales compared to the preceding quarter. This reflects the positive trend already seen in the solid first-quarter results as a result of our ongoing efforts and adjustments to market conditions. We expect EBITDA before material special effects to be between €30 million and €70 million. Furthermore, we expect a positive cash flow from operating activities in the first half of 2024.

Our expectations for the full fiscal year 2024 remain unchanged, and we are forecasting a considerable increase in shipments and sales compared to the prior year. This is based on our expectation of increasing demand momentum and a gradual normalization of the economic environment in our key markets in North America and Europe. We are confident that falling inflation will contribute to a positive trend.

EBITDA before material special effects is expected to be considerably higher than in the prior year. This underscores our commitment to continuously improve profitability.

Finally, we expect operating cash flow to be significantly positive, although likely to be significantly below the prior-year level. This reflects our realistic assessment of market conditions as we continue to work toward strong financial performance.

I would like to conclude by emphasizing that Klöckner & Co is strategically well positioned to exploit the opportunities of 2024 and achieve our corporate targets.

In 2023, by consistently implementing our corporate strategy, we generated stable operating income and further strengthened our market position. Our focus was on expanding higher value-added business, a business area with lower volatility and higher potential profitability. At the same time, we have strengthened our role as a pioneer in the sustainable steel industry.

The acquisition of Industrial Manufacturing Services in the USA and the sale of parts of our European distribution business strengthen our ability to effectively deploy our assets in support of our core business and reduce our exposure to volatile commodity markets. With the acquisition of National Material of Mexico, we have additionally expanded our geographical presence in North America, which strengthens our position in an important market for our automotive and industrial customers.

These strategic steps made in fiscal year 2023 are part of our long-term focus on positioning Klöckner & Co for continued future success.

Thank you for your attention and for the trust you have placed in Klöckner & Co.