

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM SD**

**SPECIALIZED DISCLOSURE REPORT**

**TERNIUM S.A.**

(Exact name of Registrant as specified in its charter)

N/A

(Translation of Registrant's name into English)

**Grand Duchy of Luxembourg**  
(Jurisdiction of incorporation or organization)

**001-32734**

(Commission File Number)

N/A

(IRS Employer Identification No.)

**26, Boulevard Royal, 4th floor,  
L-2449 Luxembourg**  
(Address of principal executive offices)

**Alejandra Hryszkiewicz  
26, Boulevard Royal, 4th floor,  
L-2449 Luxembourg  
Tel. + (352) 26 68 31 52, Fax. + (352) 26 59 83 49, e-mail: luxembourg@ternium.com**  
(Name, Telephone, E-Mail and/or Facsimile number and Address of Company Contact Person)

*Please send copies of notices and communications from the Securities and Exchange Commission to:*

**Diego E. Parise  
Mitrani Caballero & Ruiz Moreno  
Bouchard 680, 12th Floor (C1106ABJ)  
Buenos Aires, Argentina  
(54 11) 4590-8600**

**Patrick S. Brown, Esq.  
Sullivan & Cromwell LLP  
1888 Century Park East  
Los Angeles, California 90067-1725  
(310) 712-6600**

☒ Rule 13p-1 under the Securities Exchange Act (17 CFR 240 13p-1) for the reporting period from January 1 to December 31, 2023.

## Introduction

Ternium S.A., together with its subsidiaries (collectively, “Ternium” or “we”) is a leading steel producer in the Americas.

We provide advanced steel products to a wide range of manufacturing industries and the construction sector. We Ternium produces mainly finished and semi-finished steel products and iron ore, which are sold either directly to steel manufacturers and steel processors or to end-users after different value-adding processes. We also produce electricity and sell unused balances to the Mexican and Brazilian electric grids. In the steel segment, steel products include slabs, billets and round bars (steel in its basic, semi-finished state), hot rolled coils and sheets, bars and stirrups, wire rods, cold-rolled coils and sheets, tin plate, hot dipped galvanized and electrogalvanized sheets and pre-painted sheets, steel pipes and tubular products, beams and roll formed products. Galvanized and pre-painted sheets can be further processed into a variety of corrugated sheets, trapezoidal sheets and other tailor-made products to serve Ternium’s customer requirements. Other products in the steel segment include electricity and pig iron. In the mining segment, iron ore is sold as lump, concentrates (sinter feed and pellet feed fines) and pellets. Our customers range from small businesses to large global companies in the automotive, home appliances, heat, ventilation and air conditioning, construction, capital goods, container, food and energy industries across the Americas.

Only an immaterial portion of Ternium’s products (representing less than 1% of our sales) contain or may contain conflict minerals.

Ternium has grown across the Americas through a strategy mainly based on organic investments and acquisitions, consolidating its regional markets by seeking import substitution and expanding its commercial presence. In July 2023, Ternium increased its participation in the control group of Usinas Siderúrgicas de Minas Gerais S.A. (“Usiminas”), the largest flat steel producer in Brazil. For more information on the acquisition of the additional participation in Usiminas, see note 3 “Acquisition of business - increase of the participation in Usiminas control group and new governance structure of Usiminas” to our consolidated financial statements included in our 2023 annual report. As allowed under Instruction (3) to Item 1.01 of Form SD, 17 CFR § 249b.400 (“Form SD”), this report does not include information on the products manufactured by Usiminas and its subsidiaries, which Ternium began to consolidate in July 2023.

## Item 1.01 Conflict Minerals Disclosure and Report

During 2023, Ternium manufactured or contracted to manufacture certain products, the production or functionality of which may require conflict minerals, as defined in Item 1.01(d)(3) of Form SD. Ternium files this specialized disclosure form on Form SD pursuant to Rule 13p-1 under the Securities Exchange Act of 1934 (the “Conflict Minerals Rule”).

## Conflict Minerals Disclosure

Ternium has, in good faith, conducted a reasonable country of origin inquiry (“RCOI”) to determine whether its products contain conflict minerals originated in the Democratic Republic of the Congo (“DRC”) or the adjoining countries of Angola, Burundi, Central African Republic, Republic of Congo, Rwanda, South Sudan, Tanzania, Uganda and Zambia (the “Covered Countries”). A description of Ternium’s RCOI follows:

- Ternium implemented a Policy for Compliance with Conflict Minerals Reporting Requirements (the “Policy”), which has three main purposes:
  - ensuring that Ternium is able to determine on a consistent and regular basis the origin of any conflict minerals contained in its products;
  - providing accurate and truthful information regarding our use of conflict minerals to customers requesting such information; and
  - making informed decisions regarding the purchase of products from our direct suppliers containing conflict minerals originating in the Covered Countries.
- The Policy includes a form (the “RCOI Form”) that Ternium requests annually to suppliers to determine whether conflict minerals necessary to the functionality or production of products manufactured by Ternium (or contracted by Ternium to be manufactured by third parties), if any, may have originated in a Covered Country. The RCOI Form is distributed annually to Ternium’s direct suppliers whose products may contain conflict minerals. The RCOI Form:

- provides overall background information on the Conflict Minerals Rule;
  - includes questions designed to determine whether or not a given supplier supplies conflict minerals to Ternium;
  - includes questions regarding whether such conflict minerals, if any, originate from a Covered Country;
  - describes possible additional requirements or specific due diligence procedures; and
  - requires certain acknowledgments from direct suppliers.
- In addition to the RCOI Form, the Policy includes conflict-minerals-free-sourcing clauses, which have been included in Ternium's General Terms and Conditions for the Purchase of Goods and Services. Ternium makes reasonable efforts to have provisions included in its agreements with Potential Conflict Minerals Suppliers (as defined below). These contractual clauses include:
    - a representation and warranty from the relevant supplier in favor of Ternium to the effect that none of the products, parts or materials delivered to Ternium contain or will contain conflict minerals originated from a Covered Country;
    - the supplier's agreement to provide, upon Ternium's request, any document or information that evidences the accuracy of the representation and warranty referred to above; and
    - a commitment from the supplier to immediately inform Ternium if the supplier learns or has reason to believe at any time that the representation and warranty referred to above ceases to be true and correct.
  - Ternium's products and direct suppliers are assessed from time to time in order to identify (i) products likely to contain conflict minerals and (ii) suppliers of conflict minerals or of products (including raw materials) that may contain conflict minerals. Following each assessment, all direct suppliers of conflict minerals or products that may contain conflict minerals so identified (each, a "Potential Conflict Minerals Supplier") are contacted and requested to complete and certify the RCOI Form.
  - All responses to the RCOI Form are reviewed by Ternium, and, if necessary, the Potential Conflict Minerals Suppliers are requested to provide additional information or clarifications. The Potential Conflict Minerals Suppliers are also requested to inform Ternium immediately of any changes occurring after the date of their responses to the RCOI Form that might affect the completeness or accuracy of their responses. A contact person had been assigned for follow-up purposes.
  - Through the procedures described above, in 2023, Ternium identified and surveyed 40 Potential Conflict Minerals Suppliers. As of the date hereof 100% of the surveyed Potential Conflict Minerals Suppliers have confirmed that none of their products (including raw materials) contain conflict minerals originated from a Covered Country.

Based on the information obtained through the procedures described above as of the date hereof, Ternium has no reason to believe that any products manufactured by Ternium (or contracted by Ternium to be manufactured by third parties) contain conflict minerals necessary to the functionality or production of such products that have originated from a Covered Country.

We note that our RCOI can provide only reasonable, not absolute, assurance regarding the source and chain of custody of any products that may contain conflict minerals. Under our RCOI processes, we request data from our direct suppliers and those suppliers request similar information within their supply chains to identify the original sources of any necessary conflict minerals. Such sources of information may yield inaccurate or incomplete information and may be subject to fraud. Another complicating factor is the unavailability of country of origin and chain of custody information from our direct suppliers on a continuous, real-time basis. The supply chain of commodities such as conflict minerals is a multi-step process, operating almost on a daily basis, which involves smelters, refiners, shippers, traders and distributors. Because we do not have direct contractual relationships with smelters and refiners, we must rely on our direct suppliers to gather and provide specific information about the origin of any conflict minerals (or products containing conflict minerals) supplied to us. We seek sourcing data on an annual basis from our direct suppliers, we ask that the data cover the entire reporting year, and we seek to use contract provisions requiring direct suppliers to promptly report any changes to the sourcing data.

The information provided under this "Conflict Minerals Disclosure" section can be found on Ternium's website, accessible at: <https://investors.ternium.com/English/ternium/corporate-governance/default.aspx#minerals>

## **Additional Policies and Procedures**

- We will continue performing the activities describe above throughout the year ending December 31, 2024.
- Should any Potential Conflict Minerals Supplier inform Ternium that the products (including raw materials) supplied by it may contain conflict minerals originating from any Covered Country, Ternium will undertake further and specific due diligence to determine if the conflict minerals so delivered to Ternium have or may have, directly or indirectly, financed or benefited armed groups in the Covered Countries.
- In conducting such specialized due diligence, Ternium intends to implement the general standards of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (Second Edition). Among other documents, evidence and representations, as the circumstances may warrant, Ternium may request any relevant supplier to provide:
  - a clear and detailed description of the supply chain and chain of custody of the conflict minerals supplied to Ternium;
  - a clear and thorough description of the procedures adopted by the supplier to verify that no sub-suppliers identified in the supplier's supply chain provide any conflict minerals originating in a Covered Country;
  - a copy of the policies and procedures adopted by the supplier (and those adopted by the supplier's sub-suppliers in its supply chain) concerning traceability and compliance with the Conflict Minerals Rule;
  - supporting evidence of the procedures adopted and due diligence conducted by the supplier (including, without limitation, affidavits, declarations and information obtained from the supplier's supply chain and other suppliers' internal reports); and
  - identification of the facilities, mines or locations where the conflict minerals supplied to Ternium are processed or extracted.

[Remainder of page intentionally left blank]

## **SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the duly authorized undersigned.

**TERNIUM S.A.**

**By:** /s/ Pablo Daniel Brizzio  
Name: Pablo Daniel Brizzio  
Title: Chief Financial Officer

**Date: May 10, 2024**