Risk Factors Comparison 2024-02-21 to 2023-02-22 Form: 10-K

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RISKS RELATED TO OUR INDUSTRY Weakness in the economy, market trends, and other conditions affecting the profitability and financial stability of our customers could negatively impact our sales growth and results of operations. Economic and industry trends affect our business environments. We serve several metals- consuming industries in which the demand for our products and services is sensitive to the production activity, capital spending, and demand for products and services of our customers. Many of these customers operate in markets that are subject to highly cyclical fluctuations resulting from seasonality, market uncertainty, costs of goods sold, currency exchange rates, foreign competition, offshoring of production, oil and natural gas prices, geopolitical developments, and a variety of other factors beyond our control. Any of these factors could cause customers to idle or close facilities, delay purchases, reduce production levels, or experience reductions in the demand for their own products or services. Any of these events could impair the ability of our customers to make full and timely payments or reduce the volume of products and services these customers purchase from us and could cause increased pressure on our selling prices and terms of sale. We do not expect the cyclical nature of our industry to change and any downturn in our customers' industries could reduce our revenues and profitability or a significant or prolonged slowdown in activity in the U. S., Canada, or any other major world economy, or a segment of any such economy, could negatively impact our sales growth and results of operations. The metals services business is very competitive and increased competition could reduce our revenues and gross margins. We face competition in all markets we serve, from metals producers that sell directly to certain customers or segments of the market, to other metal services companies. The metals services industry itself is highly fragmented and competitive. There are a few large competitors, but most of the market is served by small local and regional competitors. Competition is based principally on price, service, quality, production capabilities, inventory availability, and timely delivery. We are experiencing increased pressure from online businesses that compete with price transparency. We expect technological advancements and the increased use of e- commerce solutions within the industry to continue to evolve at a rapid pace. As a result, our ability to effectively compete requires us to respond and adapt to new industry trends and developments, and implement new technology and innovations that may result in unexpected costs or may take longer than expected. To remain competitive, we must be willing and able to respond to market pressures **timely** . These pressures, and the implementation, timing, and results of our strategic pricing and other responses, could have a material effect on our sales and profitability. If we are unable to grow sales or reduce costs, among other actions, to wholly or partially offset the effect on profitability of our pricing actions, our results of operations and financial condition may be adversely affected. Changing metals prices may have a significant impact on our liquidity, net sales, gross margins, operating income, and net income. The metals services industry as a whole is cyclical and, at times, pricing and availability of metal can be volatile due to numerous factors beyond our control, including **, but not limited to,** general domestic and international economic conditions, labor costs, sales levels, competition, levels of inventory held by other metals service centers, consolidation of metals producers, higher raw material costs for the producers of metals, import duties and tariffs, and currency exchange rates. This volatility can significantly affect the availability and cost of materials for us. Our ability to pass on increases in costs in a timely manner depends on market conditions and may result in lower gross margins. In addition, higher prices could impact demand for ~~these~~ **our** products, resulting in lower sales volumes. Moreover, we maintain substantial inventories of metal to accommodate the short lead times and just- in- time delivery requirements of our customers. Accordingly, we purchase metals in an effort to maintain inventory at levels that we believe to be appropriate to satisfy the anticipated needs of our customers based upon historic buying practices, contracts with customers, and market conditions. Commitments for metal purchases are generally at prevailing market prices in effect at the time orders are placed or at the time of shipment. During periods of rising metal prices, we may be negatively impacted by delays between the time of increases in the cost of metals to us and increases in the prices that we charge for our products if we are unable to pass these increased costs on to our customers. In addition, when metal prices decline, this could result in lower selling prices for our products and, as we use existing inventory that we purchased at higher metal prices, lower gross profit margins. Declines in prices or reductions in sales volumes could adversely impact our ability to maintain our liquidity and to remain in compliance with certain financial covenants under our $ 1. 3 billion revolving credit facility (" the Ryerson Credit Facility "), as well as result in us incurring inventory or goodwill impairment charges. Consequently, changing metals prices could significantly impact our liquidity, net sales, gross margins, operating income, and net income. Unexpected product shortages could negatively impact customer relationships, resulting in an adverse impact on results of operations. Disruptions could occur due to factors beyond our control, including economic downturns, political unrest, port slowdowns, trade issues, including increased export or import duties or trade restrictions, health crises, climate related disruptions, and other factors ~~, any~~ **. Recent unrest in the Red Sea has increased both shipping times and costs presenting new challenges to the metals industry. Any** of ~~which~~ **the aforementioned items** could adversely affect a supplier' s ability to manufacture or deliver products to us. ~~Public health problems may result in quarantines, business closures, transportation restrictions, import and export complications, and otherwise cause shortages in the supply of materials, higher costs for available supplies, or cause other disruptions within our operations and supply chain. Public health problems may cause increased costs of certain supplies and disruptions and delays within our supply chain, and may expose us to unanticipated liability or require us to change our business practices.~~ Any disruption resulting from these events could cause significant delays in shipments of products or difficulties in obtaining products, any of which may expose us to unanticipated liability or require us to change our business practices in a manner materially adverse to our business, results of operations, and financial condition. For our sources of lower cost products from Asia and other areas of the world, the effect of disruptions is typically increased due to the additional lead time required and distances involved ~~. Further, the risk of disruption is increased due to the current political climate seeking trade reform~~ . In addition, we have strategic relationships with a number of vendors. In the event we are unable to maintain those relations, there might be a loss of competitive pricing advantages which could, in turn, adversely affect results of operations. Changes in customer or product mix could cause our gross margin percentage to decline. From time to time, we experience changes in customer and product mix that affect gross margin. Changes in customer and product mix result primarily from business acquisitions, changes in customer demand, customer acquisitions, selling and marketing activities, and competition. If rapid growth with lower margin customers occurs, we will face pressure to maintain current gross margins, as these customers receive more discounted pricing due to their higher sales volume. There can be no assurance that we will be able to maintain historical gross margins in the future. We may not be able to retain or expand our customer base if the North American manufacturing industry erodes through acquisition and merger or consolidation activity in our customers' industries. Our customer base primarily includes manufacturing and industrial firms. Some of our customers operate in industries that are undergoing consolidation through acquisition and merger activity and some customers have closed as they were unable to compete successfully with overseas competitors. Our facilities are predominately located in the U. S. and Canada. To the extent that our customers cease U. S. operations or relocate to regions in which we do not have a presence, we could lose their business. Acquirers of manufacturing and industrial firms may have suppliers of choice that do not include us, which could impact our customer base and market share. Global metal overcapacity and imports of metal products into the United States have adversely affected, and may again adversely affect, United States metal prices, which could impact our sales and results of operations. At times, global metal production capacity may exceed global consumption of metal products. Such excess capacity sometimes results in metal manufacturers in certain countries exporting steel at prices that are lower than prevailing domestic prices and sometimes at or below their cost of production. Excessive imports of metal into the U. S. have exerted and may exert in the future, downward pressure on U. S. steel prices which may negatively affect our results of operations. Lead time and the cost of our products could increase if we were to lose one of our primary suppliers. If, for any reason, our primary suppliers of aluminum, carbon steel, stainless steel, or other metals should curtail or discontinue their delivery of such metals in the quantities needed and at prices that are competitive, our business could suffer. The number of available suppliers could be reduced by factors such as industry consolidation and bankruptcies affecting steel and metal producers. For the year ended December 31, ~~2022~~ **2023** , our top 25 suppliers represented approximately 78 % of our purchases. We could be significantly and adversely affected if delivery were disrupted from a major supplier. If, in the future, we were unable to obtain sufficient amounts of the necessary metals at competitive prices and on a timely basis from our traditional suppliers, we may not be able to obtain such metals from alternative sources at competitive prices to meet our delivery schedules, which could have a material adverse effect on our sales and profitability. RISKS RELATED TO MARKET AND ECONOMIC VOLATILITY Changes in inflation may adversely affect financial performance. Fluctuations in inflation could result in, and recent inflationary pressures have resulted in, lower revenues, higher costs, and decreased margins, profits, and earnings. Rapid or significant inflation could continue to increase the costs we incur to procure, process, package, and deliver our metal to customers and we may not be able to increase selling prices to customers at the same rate, resulting in decreased margins and operating profits. Prolonged periods of deflation could adversely affect the degree to which we are able to maintain or increase selling prices resulting in decreased revenues, margins, and operating profits. Additionally, prolonged deflation could impact our availability on the Ryerson Credit Facility as the value of our accounts receivable and inventory decreases. In addition, we rely on arrangements with third- party shipping and freight companies for the delivery of our products. Freight and shipping costs may increase due to inflation, and any such increases could adversely affect our margins unless we are able to increase selling prices at the same rate. We monitor the risk that the principal markets in which we operate could continue to experience increased inflationary conditions. The onset, duration, and severity of an inflationary period cannot be estimated with precision. The volatility of the market could result in a material impairment of goodwill. We evaluate goodwill annually on October 1 and whenever events or changes in circumstances indicate potential impairment. Events or changes in circumstances that could trigger an impairment review include significant underperformance relative to our historical or projected future operating results, significant changes in the manner or the use of our assets or the strategy for our overall business, and significant negative industry or economic trends. We test for impairment of goodwill by assessing various qualitative factors with respect to developments in our business and the overall economy and calculating the fair value of a reporting unit using a combination of an income approach based on discounted future cash flows and a market approach at the date of valuation, as necessary. Under the discounted cash flow method, the fair value of each reporting unit is estimated based on expected future economic benefits discounted to a present value at a rate of return commensurate with the risk associated with the investment. Projected cash flows are discounted to present value using an estimated weighted average cost of capital, which considers both returns to equity and debt investors. Please refer to the Section titled " Critical Accounting Estimates- Goodwill, " of Item 7, " Management' s Discussion and Analysis of Financial Conditions and Results of Operations, " and Note 1 — " Summary of Accounting and Financial Policies " of Part II, Item 8" Financial Statements and Supplementary Data" for further information. Poor investment performance or other factors could require us to make significant unplanned contributions to our pension plan and future funding for postretirement employee benefits other than pensions also may require substantial payments from current cash flow. We provide defined benefit pension plans for certain eligible employees and retirees. The performance of the debt and equity markets affect the value of plan assets. A decline in the market value may increase the funding requirements for these plans. The cost of providing pension benefits is also affected by other factors, including interest rates used to measure the required minimum funding levels, the rate of return on plan assets, discount rates used in determining future benefit obligations, future government regulation, and prior contributions to the plans. Significant unanticipated changes in any of these factors may have an adverse effect on our financial condition, results of operations, liquidity, and cash flows. RISKS RELATED TO EXPANSION AND

INTERNATIONAL OPERATIONS We may not be able to successfully consummate and complete the integration of future acquisitions, and if we are unable to do so, it could disrupt operations and cause unanticipated increases in costs and / or decreases in revenues and results of operations. We have grown through a combination of internal expansion, acquisitions, and joint ventures. We intend to continue to grow through ~~selective~~ acquisitions, but we may not be able to identify appropriate acquisition candidates, obtain financing on satisfactory terms, consummate acquisitions, or integrate acquired businesses effectively and profitably into our existing operations. Restrictions contained in the agreements governing the Ryerson Credit Facility, or our other existing or future debt may also inhibit our ability to make certain investments, including acquisitions, and participations in joint ventures. Acquisitions, partnerships, joint ventures, and other business combination transactions, both foreign and domestic, involve various inherent risks, such as uncertainties in assessing value, strengths, weaknesses, liabilities, and potential profitability. There is also risk relating to our ability to achieve identified operating and financial synergies anticipated to result from the transactions. Additionally, problems could arise from the integration of acquired businesses, including unanticipated changes in the business or industry or general economic conditions that affect the assumptions underlying the acquisition. Our future success will depend on our ability to complete the integration of these future acquisitions successfully into our operations. Specifically, after any acquisition, customers may choose to diversify their supply chains to reduce reliance on a single supplier for a portion of their metals needs. We may not be able to retain all of our and an acquisition' s customers, which may adversely affect our business and sales. Integrating acquisitions, particularly large acquisitions, requires us to enhance our operational and financial systems and employ additional qualified personnel, management, and financial resources, and may adversely affect our business by diverting management away from day- to- day operations. Further, failure to successfully integrate acquisitions may adversely affect our profitability by creating significant operating inefficiencies that could increase our operating expenses as a percentage of sales and reduce our operating income. In addition, we may not realize expected cost savings from acquisitions. Any one or more of these factors could cause us to not realize the benefits anticipated or have a negative impact on the fair value of the reporting units. Accordingly, goodwill and intangible assets recorded as a result of acquisitions could become impaired. Certain of our operations are located outside of the United States, which subjects us to risks associated with international activities. **We have** ~~Certain~~ **certain** ~~of our~~ operations **which** are located outside of the U. S., ~~primarily~~ in Canada, China, and Mexico. We are subject to the Foreign Corrupt Practices Act (" FCPA "), which generally prohibits U. S. companies and their intermediaries from making corrupt payments or otherwise corruptly giving anything of value to foreign officials for the purpose of obtaining or keeping business or otherwise obtaining favorable treatment, and requires companies to maintain adequate record- keeping and internal accounting practices. The FCPA applies to covered companies, individual directors, officers, employees, and agents. Under the FCPA, U. S. companies may be held liable for some actions taken by strategic or local partners or representatives. If we or our intermediaries fail to comply with the requirements of the FCPA, governmental authorities in the U. S. could seek to impose civil and / or criminal penalties. Our international operations and potential joint ventures may cause us to incur costs and risks that may distract management from effectively operating our North American business, and such operations or joint ventures may not be profitable. We maintain foreign operations in Canada, China, and Mexico. International operations are subject to certain risks inherent in conducting business in, and with, foreign countries, including price controls, exchange controls, export controls, economic sanctions, duties, tariffs, limitations on participation in local enterprises, nationalization, expropriation and other governmental action, and changes in currency exchange rates ~~. In addition, we may be subject to business disruptions created by health crises and outbreaks of communicable diseases~~ . While we believe that our current arrangements with local partners provide us with experienced business partners in foreign countries, events or issues, including disagreements with our partners, may occur that require attention of our senior executives and may result in expenses or losses that erode the profitability of our foreign operations or cause our capital investments abroad to be unprofitable. We may be adversely affected by currency fluctuations in the U. S. dollar versus the Canadian dollar, the Chinese renminbi, the Hong Kong dollar, and the Mexican peso. We have significant operations in Canada which incur the majority of their metal supply costs in U. S. dollars but earn the majority of their sales in Canadian dollars. Additionally, we have significant assets in China **and** ~~. We also~~ conduct ~~business~~ **operations** in Mexico. We may from time to time experience losses when the value of the U. S. dollar strengthens against the Canadian dollar, the Chinese renminbi, the Hong Kong dollar, or the Mexican peso, which could have a material adverse effect on our results of operations. In addition, we are subject to translation risk when we consolidate our Canadian, Chinese, and Mexican subsidiaries' net assets into our balance sheet. Fluctuations in the value of the U. S. dollar versus the Canadian dollar, Chinese renminbi, the Hong Kong dollar, or the Mexican peso could reduce the value of these assets as reported in our financial statements, which could, as a result, reduce our stockholders' equity. The Chinese government exerts substantial influence over the manner in which we must conduct our business activities, particularly with regards to the land our facilities are located on. The Chinese government has exercised and continues to exercise substantial control over the Chinese economy through regulation and state ownership. Our ability to operate in China may be harmed by changes in its laws and regulations, including those relating to taxation, import and export tariffs, environmental regulations, land use rights, property, and other matters. We believe that our operations in China are in material compliance with all applicable legal and regulatory requirements. However, the central or local governments of the jurisdictions in which we operate may impose new, stricter regulations or interpretations of existing regulations that would require additional expenditures and efforts on our part to ensure our compliance with such regulations or interpretations. Moreover, the Chinese court system does not provide the same property and contract right guarantees as do courts in the U. S. and, accordingly, disputes may be protracted and resolution of claims may result in significant economic loss. Additionally, there is no private ownership of land in China and all land ownership is held by the government of China, its agencies, and collectives, which issue land use rights that are generally renewable. We lease the land where our Chinese facilities are located from the Chinese government. If the Chinese government decided to terminate our land use rights agreements, our assets could become impaired and our ability to meet customer orders could be impacted. RISKS RELATED

TO CYBERSECURITY **AND INFORMATION TECHNOLOGY** Damage to our information technology infrastructure could harm our business. The unavailability of any of our computer- based systems for any significant period of time could have a material adverse effect on our operations. In particular, our ability to manage inventory levels successfully largely depends on the efficient operation of our computer hardware and software systems. We use management information systems to track inventory information at individual facilities, **provide pricing recommendations for sales quotes,** communicate customer information, and aggregate daily sales, margin, and promotional information. Difficulties associated with upgrades, installations of major software or hardware, and integration with new systems could have a material adverse effect on results of operations. We could be required to expend substantial resources to upgrade our information systems or integrate them with the systems of companies we have acquired. The upgrade or integration of these systems may disrupt our business or lead to operating inefficiencies. In addition, these systems are vulnerable to, among other things, damage or interruption from fire, flood, tornado, and other natural disasters, power loss, computer system and network failures, operator negligence, physical and electronic loss of data, or security breaches and computer viruses. We are subject to cybersecurity risks and may incur increasing costs in an effort to minimize those risks. We depend on the proper functioning and availability of our information technology platform, including communications and data processing systems, in operating our business. These systems include software programs that are integral to the efficient operation of our business. We have established security measures, controls, and procedures, including established recovery procedures for critical systems and business functions, to safeguard our information technology systems and to prevent unauthorized access to such systems and any data processed or stored in such systems, and we periodically evaluate and test the adequacy of such systems, measures, controls, and procedures; however, there can be no guarantee that such systems, measures, controls, and procedures will be effective. Security breaches could expose us to a risk of loss or misuse of our information, litigation, and potential liability. In addition, cyber incidents that impact the availability, reliability, speed, accuracy, or other proper functioning of these systems could have a significant impact on our operations, and potentially on our results. We may not have the resources or technical sophistication to anticipate or prevent rapidly evolving types of cyberattacks. A significant cyber incident, including system failure, security breach, disruption by malware, or other damage could interrupt or delay our operations, result in a violation of applicable privacy and other laws, damage our reputation, cause a loss of customers, or give rise to monetary fines and other penalties, which could be significant **. Refer to Item 1C:" Cybersecurity" for further information on our Cybersecurity processes, policies, and programs** . RISKS RELATED TO OPERATING OUR BUSINESS Any significant work stoppages can harm our business. As of December 31, ~~2022~~ **2023** , we employed approximately ~~3~~ **4** , ~~900~~ **300** persons in North America and 300 persons in China. Our North American workforce was comprised of approximately 1, ~~800~~ **900** office employees and approximately 2, ~~100~~ **400** plant employees. Sixteen percent of our plant employees were members of various unions, including the United Steel Workers and The International Brotherhood of Teamsters. ~~Four~~ **Eight** renewal contracts covering ~~98~~ **160** employees were successfully negotiated in ~~2022~~ **2023** . ~~Six~~ **Eight** contracts covering ~~120~~ **152** employees are currently scheduled to expire in ~~2023~~ **2024** . Certain employee retirement benefit plans are underfunded and the actual cost of those benefits could exceed current estimates, which would require us to fund the shortfall. As of December 31, ~~2022~~ **2023** , our pension plan had an unfunded liability of $ ~~73~~ **63** . ~~0~~ **9 million and our other postretirement benefits plan had an unfunded liability of $ 35. 7** million. Our actual costs for benefits required to be paid may exceed those projected and future actuarial assessments. Under those circumstances, the adjustments required to be made to our recorded liability for these benefits could have a material adverse effect on our results of operations and financial condition and cash payments to fund these plans could have a material adverse effect on our cash flows. We may be required to make substantial future contributions to improve the plan' s funded status. Any prolonged disruption of our processing centers could harm our business. We have dedicated processing centers that permit us to produce standardized products in large volumes while maintaining low operating costs. We may suffer prolonged disruption in the operations of any of these facilities, whether due to labor or technical difficulties, destruction, or damage **sustained as a result of natural disasters or climate- related events** to any of the facilities or otherwise, which could adversely affect our operating results. If we are unable to retain, attract, and motivate management and key personnel, it may adversely affect our business. In order to compete and have continued growth, we must attract, retain, and motivate executives and other key employees, including those in managerial, technical, sales, marketing, and support positions. We believe that our success is due, in part, to our experienced management team. Losing the services of one or more members of our management team such as our CEO, Edward J. Lehner, could adversely affect our business and possibly prevent us from improving our operational, financial, and information management systems and controls. We compete to hire employees and then must train them and develop their skills and competencies. In the future, we may need to retain and hire additional qualified sales, marketing, administrative, operating, and technical personnel, and to train and manage new personnel. Our ability to implement our business plan is dependent on our ability to retain, hire, and train a large number of qualified employees each year. Our results of operations could be adversely affected by increased costs due to increased competition for employees, higher employee turnover, or increased employee benefit costs. Our risk management strategies may result in losses. From time to time, we may use fixed- price and / or fixed- volume supplier contracts to offset contracts with customers. Some of our existing supply agreements have required minimum purchase quantities. Under adverse economic conditions, those minimums may exceed our needs. Absent exceptions for force majeure and other circumstances affecting the legal enforceability of the agreements, these minimum purchase requirements may compel us to purchase quantities of raw materials that could significantly exceed our anticipated needs or pay damages to the supplier for shortfalls. In these circumstances, we would attempt to negotiate agreements for new purchase quantities. There is a risk, however, that we would not be successful in reducing purchase quantities, either through negotiation or litigation. If that occurred, we would likely be required to purchase more of a particular raw material in a particular year than we need, negatively affecting our results of operations and cash flows. Additionally, we may use commodity contracts, foreign exchange contracts, and interest rate swaps to manage our exposure to commodity price risk, foreign currency exchange risk, and interest rate risk. These risk management strategies pose certain risks, including the risk that losses on a hedge position may exceed the amount invested in such instruments. Moreover, a party in a hedging transaction may be unavailable or unwilling to settle our obligations, which could cause us to suffer corresponding losses. A hedging instrument may not be effective in eliminating all of the risks inherent in any particular position. Our profitability may be adversely affected during any period as a result of the use of such instruments. RISKS RELATED TO REGULATORY AND LEGAL MATTERS We could incur substantial costs related to environmental, health, and safety laws. Our operations are subject to increasingly stringent environmental, health, and safety laws. These include laws that impose limitations on the discharge of pollutants into the air and water and establish standards for the treatment, storage, and disposal of regulated materials, and the investigation and remediation of contaminated soil, surface water, and groundwater. Failure to maintain or achieve compliance with these laws or with the permits required for our operations could result in substantial increases in operating costs and capital expenditures. In addition, we may be subject to fines and civil or criminal sanctions, third party claims for property damage or personal injury, worker' s compensation or personal injury claims, cleanup costs, or temporary or permanent discontinuance of operations. Certain of our facilities are located in industrial areas, have a history of heavy industrial use, and have been in operation for many years and, over time, we and other predecessor operators of these facilities have generated, used, handled, and disposed of hazardous and other regulated wastes. Environmental liabilities could exist, including cleanup obligations at these facilities or at off- site locations where materials from our operations were disposed of, which could result in future expenditures that cannot be currently quantified and which could have a material adverse effect on our financial position, results of operations, or cash flows. Such liabilities may be imposed without regard to fault or the legality of a party' s conduct and may, in certain circumstances, be joint and several. Future changes to environmental, health, and safety laws, including those related to climate change, could result in material liabilities and costs, constrain operations, or make such operations more costly for us, our suppliers, and our customers. In October 2011, the United States Environmental Protection Agency (the " EPA ") named JT Ryerson as one of more than 100 businesses that may be a potentially responsible party for the Portland Harbor Superfund Site. See Note ~~13~~ **12** : Commitments and Contingencies in the notes to the consolidated financial statements included in Part II, Item 8 of this Report on Form 10- K. As the EPA has not yet allocated responsibility for the contamination among the potentially responsible parties, including JT Ryerson, we do not currently have sufficient information available to us to determine whether the Record of Decision will be executed as currently stated, whether and to what extent JT Ryerson may be held responsible for any of the identified contamination, and how much (if any) of the final plan' s costs might ultimately be allocated to JT Ryerson. Therefore, management cannot predict the ultimate outcome of this matter or estimate a range of potential loss at this time **.** **Environmental, social, and governance matters, and any related reporting obligation may impact our business Our business is subject to evolving corporate governance and public disclosure regulations and expectations, including with respect to environmental, social, and governance matters (" ESG"), that could expose us to numerous risks. These rules and regulations continue to evolve in scope and complexity, and many new requirements have been created in response to laws enacted by Congress, making compliance more difficult and uncertain. In addition, increasingly regulators, customers, investors, employees, and other stakeholders are focusing on ESG type matters and related disclosures. Our implementation of these evolving rules and regulations will require additional resources and implementation of new practices and reporting processes, all entailing additional compliance risk. Moreover, the progress and disclosure of our initiatives within the ESG scope could be criticized for accuracy, adequacy, and completeness, or may not advance at a sufficient pace. If our ESG- related data, processes, and reporting are incomplete or inaccurate, or if we fail to achieve progress with respect to our sustainability goals, or at all, our reputation, business, financial performance, and growth could be adversely affected. Overall increased emphasis of ESG in itself and ESG reporting has increased stakeholder focus, including by U. S. and foreign governmental authorities, investors, and customers on environmental sustainability matters, such as climate change, the reduction of greenhouse gases, and water consumption. Legislative, regulatory, or other efforts to combat climate change or other environmental concerns could result in future increases in taxes, restrictions on or increases in the costs of supplies, transportation, and utilities, any of which could increase our operating costs, and necessitate future investments in facilities and equipment. Further, the customers we serve may impose emissions reduction or other environmental standards and requirements. As a result, we may experience increased compliance burdens and costs and the sourcing of our products may be adversely affected. These risks also include the increased pressure to make commitments, set targets, or establish additional goals and take actions to meet them, which could expose us to market, operational, execution, and reputation costs or risks** . Regulations related to conflict- free minerals may force us to incur additional expenses and place us at a competitive disadvantage. On August 22, 2012, under the Dodd- Frank Wall Street Reform and Consumer Protection Act of 2010 (the " Dodd- Frank Act "), the SEC adopted new requirements for reporting companies that use certain minerals and metals, known as " conflict minerals ", in their products, whether or not these products are manufactured by third parties. These requirements require companies to diligence, disclose, and report whether or not such minerals originate from the Democratic Republic of Congo and adjoining countries. Since our supply chain is complex, we may not be able to conclusively verify the origins for all metals used in our products and we may face reputational challenges with our customers. Additionally, as there may be only a limited number of suppliers offering " conflict free " metals, we cannot be sure that we will be able to obtain necessary metals from such suppliers in sufficient quantities or at competitive prices. Accordingly, we could incur significant costs related to the compliance process, including potential difficulty or added costs in satisfying the disclosure requirements. Moreover, we may encounter challenges to satisfy those customers who require that all of the components of our products be certified as conflict free which could place us at a competitive disadvantage if we are unable to do so. Tax changes could affect our effective tax rate, the value of our deferred tax assets, and future profitability. Our future results could be adversely affected by changes in the effective tax rate or changes in the treatment of deferred tax assets as a result of changes in Ryerson' s overall profitability, changes in the mix of earnings in countries with differing statutory tax rates, changes in tax legislation, the results of the examination of previously filed tax returns, and continuing assessment of the Company' s tax exposures. In particular, although the passage of the Tax Cut and Jobs Act of 2017 reduced the U. S. tax rate to 21 %, our future earnings could be negatively impacted by changes in tax legislation including changing tax rates and tax base such as limiting, phasing- out, or eliminating deductions or tax credits, changing rules for earnings repatriations, and changing other tax laws in the U. S. or other countries. We are subject to litigation that could strain our resources and distract management. From time to time, we are involved in a variety of claims, lawsuits, and other disputes arising in the ordinary course of business. These suits concern issues including product liability, contract disputes, employee- related matters, and personal injury matters. It is not feasible to predict the outcome of all pending suits and claims, and the ultimate resolution of these matters as well as future lawsuits that could have a material adverse effect on our business, financial condition, results of operations, cash flows, or reputation. We may face product liability claims that are costly and create adverse publicity. If any of the products that we sell cause harm to any of our customers, we could be exposed to product liability lawsuits. If we were found liable under product liability claims, we could be required to pay substantial monetary damages. Further, even if we successfully defended ourselves against this type of claim, we could be forced to spend a substantial amount of money in litigation expenses, our management could be required to spend valuable time in the defense against these claims, and our reputation could suffer. RISKS RELATED TO OWNERSHIP OF OUR COMMON STOCK Our stock price has fluctuated in the past, has recently been volatile, and may be volatile in the future, and as a result, investors in our common stock could incur substantial losses. ~~Our stock price has fluctuated in the past, has recently been volatile, and may be volatile in the future.~~ We may incur rapid and substantial decreases in our stock price in the foreseeable future that are unrelated to our operating performance or prospects. As a result of this volatility, investors may experience losses on their investment in our common stock. The market price for our common stock may be influenced by many factors, including the following: • investor reaction to our business strategy; • the success of competitive products or technologies; • any developments with respect to our pursuit of strategic alternatives, including a potential sale or merger of the Company, sale of part of the Company, strategic minority investment, or licensing and other transactions **;** • changes in regulatory or industry standards applicable to our products; • variations in our financial and operating results or those of companies that are perceived to be similar to us; • developments concerning our collaborations or partners; • developments or disputes with any third parties that supply, manufacture, sell, or market any of our products; • actual or perceived defects in any of our products, if commercialized, and any related product liability claims; • our ability or inability to raise additional capital and the terms on which we raise it; • declines in the market prices of stocks generally; • trading volume of our common stock; • sales of our common stock by us or our stockholders; • general economic, industry, and market conditions; and • other events or factors, including those resulting from such events, or the prospect of such events, including war, terrorism, and other international conflicts, public health issues including health epidemics or pandemics, and natural disasters such as fire, hurricanes, earthquakes, tornadoes, or other adverse weather and climate conditions, whether occurring in the U. S. or elsewhere, could disrupt our operations, disrupt the operations of our suppliers, or result in political or economic instability. In the past, following periods of volatility in the market, securities class- action litigation has often been instituted against companies. Such litigation, if instituted against us, could result in substantial costs and diversion of management' s attention and resources, which could materially and adversely affect our business, financial condition, results of operations, and growth prospects. There can be no guarantee that our stock price will remain at current levels or that future sales of our common stock will not be at prices lower than those sold to investors. We paid cash dividends on our common stock in each quarter of ~~2022~~ **2023** , but any future dividend payments are at the discretion of our Board of Directors. ~~We~~ **Since the third quarter of 2021 we** have ~~recently~~ paid regular quarterly cash dividends on our common stock. Any declaration and payment of cash dividends on our common stock in the future, whether at current levels or at all, will be at the discretion of our Board of Directors and will depend upon our results of operations, earnings, capital requirements, financial condition, future prospects, contractual restrictions, and other factors deemed relevant by our Board of Directors. Therefore, you should not rely on dividend income from shares of our common stock. For more information, see ~~“~~ **"** Dividend Policy **" of Part II, Item 5" Market for Registrant' s Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities"** . ~~”~~ Your only opportunity to achieve a return on your investment in us may be if the market price of our common stock appreciates and you sell your shares at a profit, but there is no guarantee that the market price for our common stock will ever exceed the price that you pay for our common stock. Our corporate documents and Delaware law contain provisions that could discourage, delay, or prevent a change in control of the Company. Our amended and restated certificate of incorporation and amended and restated bylaws contain provisions that may make the acquisition of our company more difficult without the approval of our Board of Directors. These provisions: • establish a classified Board of Directors so that not all members of our Board of Directors are elected at one time; • authorize the issuance of undesignated preferred stock, the terms of which may be established and the shares of which may be issued without stockholder approval, and which may include super voting, special approval, dividend, or other rights or preferences superior to the rights of the holders of common stock; • provide that the Board of Directors is expressly authorized to make, alter, or repeal our amended and restated bylaws; • prohibit stockholders from acting by written consent if less than a majority of the voting power of our outstanding stock is controlled by Platinum; and • establish advance notice requirements for nominations for elections to our Board of Directors or for proposing matters that can be acted upon by stockholders at stockholder meetings. These anti- takeover provisions and other provisions under Delaware law could discourage, delay, or prevent a transaction involving a change in control of our company, even if doing so would benefit our stockholders. These provisions could also discourage proxy contests and make it more difficult for our stockholders to elect directors of their choosing ~~and to cause us to take other corporate actions they desire~~ . Any issuance of preferred stock could make it difficult for another company to acquire us or could otherwise adversely affect holders of our common stock, which could depress the price of our common stock. Our Board of Directors has the authority to issue preferred stock and to determine the preferences, limitations, and relative rights of shares of preferred stock and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by our stockholders. Our preferred stock could be issued with voting, liquidation, dividend, and other rights superior to the rights of our common stock. The potential issuance of preferred stock may delay or prevent a change in control of us, discouraging bids for our common stock at a premium over the market price, and adversely affect the market price and the voting and other rights of the holders of our common stock. RISKS RELATED TO OUR CAPITAL STRUCTURE We have indebtedness under our Ryerson Credit Facility, which could adversely affect our financial position and prevent us from fulfilling our financial obligations. As of December 31, ~~2022~~ **2023** , our total indebtedness ~~was $ 367 million and we had approximately $ 826 million of unused capacity~~ under the Ryerson Credit Facility **was $ 433 million and we had $ 560 million of unused capacity on the facility** . Our indebtedness may: • make it difficult for us to satisfy our financial obligations, including making scheduled principal and interest payments on our indebtedness; • limit our ability to borrow additional funds for working capital, capital expenditures, acquisitions, or other general corporate purposes; • limit our ability to use our cash flow for future working capital, capital expenditures, acquisitions, or other general corporate purposes; • require us to use a substantial portion of our cash flow from operations to make debt service payments; • limit our flexibility to plan for, or react to, changes in our business and industry; • place us at a competitive disadvantage compared to our less leveraged competitors; and • increase our vulnerability to the impact of adverse economic and industry conditions. We may also incur additional indebtedness in the future. The terms of the Ryerson Credit Facility restrict but do not prohibit us from doing so, and the indebtedness incurred in compliance with these restrictions could be substantial. If new indebtedness is added to our current debt levels, the related risks that we now face could intensify. The covenants in the Ryerson Credit Facility and covenants contained in agreements governing indebtedness that we incur in the future may impose ~~,~~ restrictions that may limit our operating and financial flexibility. The Ryerson Credit Facility contains a number of significant restrictions and covenants that limit our ability and the ability of our restricted subsidiaries, including JT Ryerson, to: • incur additional debt; • make certain investments or other restricted payments; • create liens or use assets as security in other transactions; • merge, consolidate, transfer, or dispose of substantially all of our assets; and • engage in transactions with affiliates. The terms of the Ryerson Credit Facility require that, in the event availability under the facility declines to a certain level, we maintain a minimum fixed charge coverage ratio at the end of each fiscal quarter. Total credit availability is limited by the amount of eligible accounts receivable, inventory, and qualified cash pledged as collateral under the agreement insofar as the Company is subject to a borrowing base comprised of the aggregate of these three amounts, less applicable reserves. As of December 31, ~~2022~~ **2023** , total credit availability under the Ryerson Credit Facility was $ ~~826~~ **560** million. See discussion regarding the Ryerson Credit Facility in Note ~~10~~ **9** : “ Debt ” of Part II, Item 8 “ Financial Statements and Supplementary Data ” as well as the discussion within the “ Liquidity and Capital Resources ” section of Item 7 “ Management’ s Discussion and Analysis of Financial Condition and Results of Operations. ” Our future indebtedness may contain covenants more restrictive in certain respects than the restrictions contained in the Ryerson Credit Facility. Operating results below current levels or other adverse factors, including a significant increase in interest rates, could result in our being unable to comply with financial covenants that are contained in the Ryerson Credit Facility or that may be contained in any future indebtedness. In addition, complying with these covenants may also cause us to take actions that are not favorable to our stockholders and may make it more difficult for us to successfully execute our business strategy and compete against companies that are not subject to such restrictions. We may not be able to generate sufficient cash to service all of our indebtedness. Our ability to make payments on our indebtedness depends on our ability to generate cash in the future. Balances outstanding on the Ryerson Credit Facility and our other outstanding indebtedness are expected to account for significant cash interest expenses. Accordingly, we will have to generate significant cash flows from operations to meet our debt service requirements. If we do not generate sufficient cash flow to meet our debt service and working capital requirements, we may be required to sell assets, seek additional capital, reduce capital expenditures, restructure or refinance all or a portion of our existing indebtedness, or seek additional financing. Moreover, insufficient cash flow may make it more difficult for us to obtain financing on terms that are acceptable to us, or at all. Because the majority of our indebtedness bears interest at rates that fluctuate with changes in certain prevailing short- term interest rates, we are vulnerable to interest rate increases. The majority of our indebtedness, including the Ryerson Credit Facility, bears interest at rates that fluctuate with changes in certain short- term prevailing interest rates. As of December 31, ~~2022~~ **2023** , we had $ ~~365~~ **433** . 0 million of outstanding borrowings under the Ryerson Credit Facility, with an additional $ ~~826~~ **560** million available for borrowing under such facility. Assuming a consistent level of debt through- out ~~2022~~ **2023** a 100 basis point increase in the interest rate on our floating rate debt effective from the beginning of the year would increase our interest expense under the Ryerson Credit Facility and the China credit facility by approximately $ 4. ~~3~~ **7** million, on an annual basis. The Federal Reserve has **continued to** ~~increased~~ - **increase** interest rates **in** ~~throughout 2022 and early~~ 2023, increasing our interest expense on the Ryerson Credit Facility. ~~The expectation is that additional rate hikes will occur in 2023.~~ If interest rates ~~increase dramatically~~ **continue to rise in the future** , we could be unable to service our debt, which could have a material adverse effect on our business, financial condition, results of operations, or cash flows. Changes in our credit ratings and outlook may reduce access to capital and increase borrowing costs. Our credit ratings are based on a number of factors, including our financial strength and factors outside of our control, such as conditions affecting our industry generally or the introduction of new rating practices and methodologies. We cannot provide assurances that our current credit ratings will remain in effect or that the ratings will not be lowered, suspended, or withdrawn entirely by the rating agencies. If rating agencies lower, suspend, or withdraw the ratings, the market price or marketability of our securities may be adversely affected. In addition, any negative change in ratings could make it more difficult for us to raise capital on acceptable terms, impact the ability to obtain adequate financing, and result in higher interest costs for our existing credit facilities, including the Ryerson Credit Facility, or on future financings. RISKS RELATED TO OUR STOCKHOLDER BASE Platinum owns a ~~significant~~ **substantial** percentage of our stock and has the right to nominate **two** ~~a majority of the~~ members of the Corporation’ s board and will be able to exert ~~control~~ **influence** over matters subject to stockholder approval. Platinum owns approximately ~~15~~ **3** , 924, 478 shares of our common stock, which is approximately ~~43~~ **11. 5** % of our issued and outstanding common stock. Therefore, Platinum may be able to ~~determine~~ **influence** all matters requiring stockholder approval. For example, Platinum may be able to ~~control~~ **influence** elections of directors, amendments of our organizational documents, or approval of any merger, sale of assets, or other major corporate transaction. This may prevent or discourage unsolicited acquisition proposals or offers for our common stock that our stockholders may believe are in their best interest as stockholders. The Company is party to an investor rights agreement (the " Investor Rights Agreement ") with certain affiliates of Platinum which provides, among other things, that for so long as Platinum collectively beneficially owns (i) at least 30 % of the voting power of the outstanding capital stock of the Company, Platinum will have the right to nominate for election to the board of directors of the Company no fewer than that number of directors that would constitute a majority of the number of directors if there were no vacancies on the board, (ii) at least 15 % but less than 30 % of the voting power of the outstanding capital stock of the Company, Platinum will have the right to nominate two directors, and (iii) at least 5 % but less than 15 % of the voting power of the outstanding capital stock of the Company, Platinum will have the right to nominate one director. The agreement also provides that if the size of the board of directors is increased or decreased at any time, Platinum' s nomination rights will be proportionately increased or decreased, respectively, rounded up to the nearest whole number. **Based on Platinum' s current voting power of the outstanding capital stock of the Company and the current size of the Board, Platinum has the right to nominate up to two directors pursuant to the Investor Rights Agreement.** As a result ~~of~~ **,** Platinum ~~' s ownership of a significant portion of~~ **may influence our policies and operations, including** the ~~Company' s outstanding capital~~ **appointment of management, future issuances of our common** stock **or other securities, and the payment of dividends,** as well ~~its board nomination rights pursuant to the Investor Rights Agreement, Platinum may significantly influence or effectively control our policies and operations, including the appointment of management, future issuances of our common stock or other securities, and the payment of dividends. In addition, Platinum has~~ **as impact** ~~significant control over our~~ decisions to enter into any other corporate transaction. The interests of Platinum may not in all cases be aligned with the interests of the other holders of our common stock. For example, a sale of a substantial number of shares of stock in the future by Platinum could cause our stock price to decline. Further, Platinum could cause us to make acquisitions that increase the amount of the indebtedness that is secured or senior to the Company' s existing debt or sell revenue- generating assets, impairing our ability to make payments under such debt. Additionally, Platinum is in the business of making investments in companies and may from time to time acquire and hold interests in businesses that compete directly or indirectly with us. Accordingly, Platinum may also pursue acquisition opportunities that may be complementary to our business, and as a result, those acquisition opportunities may not be available to us. In addition, Platinum may have an interest in pursuing acquisitions, divestitures, and other transactions that, in their judgment, could enhance their equity investment, even though such transactions might involve risks to holders of our common stock.