



GENERAL POLICIES

7.- General Corporate Governance Policy of Acerinox, S.A.

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GENERAL CORPORATE GOVERNANCE POLICY OF ACERINOX, S.A

The Board of Directors of ACERINOX, S.A. ("Acerinox" or the "Company") is responsible for the ongoing approval, design, assessment and review of the Corporate Governance System of the Company, and for approving the corporate policies that implement the principles set out in the Capital Companies Act and in the Good Governance Code for Listed Companies, which contain the guidelines that govern the actions of the Parent Company and that of the companies that are part of the Group, as well as its board members, managers, and employees.

I.- Objective

This policy briefly outlines the principles that state both the willingness of the Company to comply with existing regulations, and its alignment with corporate governance recommendations. These principles are clearly destined to remain in the organisation since, notwithstanding their being updated, they contribute to shaping the culture of corporate governance of Acerinox, S.A. and its Group. This policy is designed to align the interests of the Company with those of its shareholders and other stakeholders, through the protection and promotion of values shared by all, and at the same time, is aimed at fostering trust, stability, progress and the social and economic development of the Company in general.

II.- Principles

The principles on which the Corporate Governance Policy of Acerinox, S.A. is based, and which will serve as guidelines for the Company's activities, are, but are not limited to, the following:

- Consolidating, developing and promoting mechanisms for handling relationships with shareholders, investors and major stakeholders, in order to improve relations with them, increase their level of commitment and strengthen their trust.
- Promoting the informed participation of Company shareholders in their General Meetings.
- Adopting the measures needed to ensure the proper exercise of the rights of Shareholders at General Meetings.
- Preserving the right balance and proportionality of powers in the structure and composition of the Board of Directors through the adoption of the measures needed to enable it to act with unity of purpose and independent judgement.
- Establishing appropriate mechanisms to define the duties and responsibilities of its Directors and have the capacity to reveal and

resolve potential conflicts of interest between the Directors and the Company.

- Ensuring the quality and efficiency of the modus operandi and performance of the Board of Directors, the Chairman of the Board, the Managing Director and Board Committees, and carrying out an annual assessment of that modus operandi and performance.
- Ensuring the orderly succession of the Company's Managing Director in order to ensure the continuity and sustainability of that function.
- Identifying, analysing and adopting, where applicable, the best practices in the field of good corporate governance, while following the principles of performance excellence adopted by the Company.
- Ensuring transparency and the quality of information, so that public information about the Company is presented in a clear, full, simple, orderly and understandable manner for the different stakeholders.
- Promoting awareness of the principles and values which inspire the Corporate Governance Policy, both internally, within the organisation, as well as externally, by all its stakeholders.

III.- Corporate Governance Practices of Acerinox, S.A.

In view of the above principles, the practices which the Company will adhere to, and which together make up the Corporate Governance Policy of Acerinox, S.A. are outlined below.

a) Regarding the Company Shareholders:

a.1) Commitment to the Shareholders.

The Company shall seek to appropriately compensate its shareholders in a sustainable manner.

With the aim of developing and promoting mechanisms for fostering relations and dialogue with shareholders and investors, the Company shall take into account and assess their requests or suggestions, paying special attention to those of an institutional nature, as well as those of the more relevant voting advisers and other stakeholders, in order to always maintain the best relations.

Furthermore, Acerinox shall provide its shareholders with sufficient, systematised information, which shall indicate that social objectives, and those of sustainability and good corporate governance are in the interests to the Company.

a.2) General Shareholders' Meeting.

In accordance with the principle of promoting the informed participation of its shareholders at the General Meetings, the Company will publish and make available to shareholders, in advance, all the documentation relating to the various items on the agenda at these General Meetings.

The shareholders may request the delivery or dispatch of the documents referred to above, in printed or digital form, at no cost to them.

Moreover, in order to ensure the rights of shareholders can be properly exercised at General Meetings, the Company will support mechanisms and adopt measures that facilitate the exercise of these rights, in accordance with the law and best practices of corporate governance.

Shareholders representing at least three percent of the share capital may request that a supplement be added to the notice of the General Meeting, including one or more of the items on the agenda, as long as the new items are accompanied by a justification or, where necessary, a justified proposed agreement. Under no circumstances can the right regarding the notice of call of the extraordinary general meetings be exercised.

This right shall be exercised by due notification which is to be received at the registered office within the five days following the publication of the notice of call. The addition to the notice of call should be published at least fifteen days prior to the date established for the General Meeting. Failure to publish the supplement to the call notice within the specified period shall render the General Meeting void.

Shareholders representing at least three percent of social capital can, within the same period outlined in the previous paragraph, present proposals based on agreements on matters already included or which should be included in the agenda of the General Meeting called. The Company shall ensure the diffusion of these proposed agreements and the documentation, which where necessary are attached, amongst the other shareholders in accordance with that established by Law.

Shareholders may request in writing the information or clarifications that they deem necessary or may formulate in writing the questions they deem relevant regarding the matters on the agenda of the convened Meeting, and may also request data or clarifications or ask questions in writing about the information available to the public which the Company may have sent to the Spanish national securities commission since the last General Shareholders' Meeting.

The Company website hosts an Electronic Shareholder Forum, which can be accessed by individual shareholders and any associations that may be created in order to facilitate communication prior to General Shareholders' Meetings. In the Forum, proposals which aim to be presented as supplements to the agenda announced in the notice can be posted, in addition to requests for the accession

to such proposals, initiatives to reach a sufficient percentage to exercise the right of minority laid down in the law, and offers or requests for voluntary representation.

The Company will encourage the presence of shareholders at the General Meeting by holding the meeting at a venue with the best conditions for holding and following it, one centrally-located in the area where the registered office is situated.

General Meetings will be broadcast live on the Company website.

b) Regarding the Board of Directors and its Committees:

b.1) Basic Duties and Modus Operandi of the Board.

To exercise the necessary control and supervision of important areas to the Company, the Board has, among other responsibilities which cannot be delegated, the following basic duties:

- To approve the basic business guidelines and the general policies and strategies of the Company and the Group, including guidelines for the Company's strategic or business plan, investment policy, corporate governance policy, corporate social responsibility policy, remuneration policy and any others required by law.
- To approve the control policy for the Company's main risks and to perform periodic monitoring of the prevention systems.
- To monitor Company progress.

In order to keep abreast of its direct responsibilities, and to perform the rest of its duties, the Board of Directors shall meet at least eight times a year, and at least once per quarter. In addition, and on the initiative of the Chairman, it shall meet as often as he deems appropriate for the smooth running of the Company.

Moreover, Directors representing at least one third of the Board Members may convene a meeting and set the agenda, should the Chairman, having been requested to convene a meeting, have not done so within one month of the request being made.

The Board shall appoint a Chairman and a Managing Director. The latter, in principle, and unless otherwise decided, shall not hold the office of Chairman.

The Chairman and Managing Director assume the commitment to submit the most important decisions, on account of their nature or quantity involved, for the deliberation and decision of the Board.

b.2) The Balance of Power in the Structure and Composition of the Board of Directors.

The Board of Directors shall perform its duties with unity of purpose and independence of judgement, pursuing the interests of the Company and its shareholders, as well as the sustainability of the Company. In order to do this, it is necessary to preserve the proper balance and proportionality of powers in the composition of the Board:

- Independent Directors.

Taking into account the distribution of shares and the capitalisation of Acerinox, the number of independent Directors shall comprise at least one third of the members of the Board of Directors, ensuring that their proportion is as close as possible to the percentage of minority shareholders in the Company.

- Board Committees.

The Board of Directors shall, as a minimum, include the following committees. Its members shall be appointed by the Board, which will also appoint the person who should act as Committee Chairman.

• Executive Committee.

An Executive Committee exists to keep abreast of and monitor matters between Board meetings, on which proprietary directors shall hold a position as proportional as possible to the number of shares they hold.

The Chairman of the Executive Committee shall be the Chairman of the Board. The Chairman may, in view of the circumstances, decide that any matter deliberated by the Executive Committee and the decisions adopted thereof be the subject of new deliberations or ratification by the Board of Directors.

The Executive Committee will attend to matters between Board meetings, when they are very far apart, and may discuss strategic issues at preparatory meetings.

• Appointment, Remuneration, and Corporate Governance Committee.

The Company has an Appointment, Remuneration and Corporate Governance Committee comprised of external Directors, and its Chairman shall be an independent Director.

Among the basic responsibilities of this Committee are those relating to proposals or reports regarding the appointment and dismissal of Directors, the Board's remuneration policy and Directors' fulfilment of their duties.

This Committee coordinates the process of reporting information regarded as non-financial information and relating to diversity. It will review the Corporate Social Responsibility policy and the policies, strategies and practices in this matter, in addition to the suitability of the Company's Corporate Governance system, and oversee the Annual Corporate Governance Report.

- Audit Committee.

The Company has an Audit Committee comprised of external Directors. The majority of its members, and in particular its Chairman, shall be independent Directors. All members, and in particular its Chairman, shall be appointed based on their knowledge and experience in accounting, auditing or both.

This Committee performs, among other duties, the oversight of the economic-financial information of Acerinox, S.A. and of the systems of internal control and risk management, relations with the external auditor, and duties relating to the monitoring of compliance with regulations as to conduct and the crime prevention model.

b.3) Appointment of Directors.

The Company shall apply procedures for the selection of Directors to ensure a reasonable balance and diversity within the Board, so that it can fulfil its duties properly and in accordance with the policy adopted to that effect. To that end, during the selection process, candidates shall be assessed on the basis of their skills, experience, professionalism, suitability, independence of judgement, knowledge, qualities, abilities and availability to perform their duties. The Appointment, Remuneration and Corporate Governance Committee shall play a key role in this process.

The Board of Directors has approved a policy in this regard, known as the "Director Selection Policy".

b.4) Directors' Responsibilities.

In accordance with applicable regulations, the Company will define the Directors' duties and responsibilities, in general, and the duties of diligence and loyalty in particular, and a complete internal regulation system shall be established in accordance with current legislation.

The Directors' duties established by that regulation system shall include the following key duties:

- The duty of diligent administration, which requires Directors to act with the diligence of orderly businessmen and women, attending Board meetings and Committee meetings, ensuring they are duly informed and prepared, paying proper attention at the said meetings and participating actively in the deliberations.
- The duty of loyalty, which requires that Directors should fulfil their duties as faithful representatives, acting in good faith and in the best interests of the Company. This duty includes, among others, the obligation to inform the Company of any conflicts of interest and to refrain from intervening in the discussions related to them, to submit their transactions with the Company for prior authorisation and to report any fact or situation relevant to their duties as Directors. It also includes the prohibition on both the use of company assets for their own financial gain, and taking advantage of the Company's business opportunities for their own personal gain or that of persons associated with them.
- The duty of secrecy with regard to confidential information, which includes the obligation to save information, data, reports or records of which they gain knowledge of in the course of fulfilling their duties, even after the said duties have ceased.
- The Directors' duty of information, which requires them to inform the Company of the shares which they hold in its capital, as well as stock options or derivatives relating to the value of the shares, and to report any legal proceedings, administrative or of any other nature, which, due to their importance, could affect the reputation of the Company.

b.5) Conflicts of Interest.

For the purpose of applying appropriate mechanisms which enable potential conflicts of interest between Directors and the Company to be identified and resolved, the Company shall establish controls and take measures to prevent Directors who may potentially be affected from being involved in matters in which they could have a personal interest, since they must always put the interests of Acerinox and its Group of companies first in everything they do.

b.6) Board of Directors Remuneration Policy.

The Company shall operate a Board of Directors remuneration policy based on the principles of moderation and in alignment with the long-term interests and strategies of the Company, its shareholders and other stakeholders, but which, due to its quantity, will not be a factor in the independence of the Directors.

Acerinox will periodically review the Board of Directors' salary structure in order to keep it in line with Corporate Governance standards.

The Board of Directors remuneration policy and its resulting annual report shall be considered by the General Meeting of Shareholders as a separate item on the agenda.

The Board of Directors has approved a specific policy in this regard called the "Directors' Remuneration Policy".

b.7) Diversity in the Board of Directors and the Selection of Candidates.

The Company shall promote the diversity of knowledge, experience and gender in the composition of the Board of Directors and its Committees, as a factor that will enable it to achieve its objectives from a point of view of plurality and balance. The Board of Directors has approved a specific policy in this regard, called the "Director Selection Policy".

b.8) Assessment of the Board of Directors.

The Company will conduct an annual assessment of the operation and performance of the Board of Directors, its Chairman, the Managing Director and the Committees of the Board. The process shall be carried out under the direction of the Chairman of the Board and shall have the support of the Appointment, Remuneration and Corporate Governance Committee. Furthermore, its implementation shall be reflected in the Annual Corporate Governance Report.

b.9) Knowledge and Information Practices for Directors.

Information shall be provided to the Board and the Directors on regulatory changes or other new developments of relevance to the Company or to its Corporate Governance.

b.10) Secretary of the Board of Directors.

With the aim of ensuring that the Company identifies, analyses and adopts, where applicable, best practices, principles and recommendations with regard to good corporate governance, the Secretary of the Board of Directors, as part of his/her established legal and statutory powers, shall ensure that the actions and decisions of the Board of Directors conform entirely to the law and are in accordance with recommendations on good corporate governance. Moreover, he/she shall provide the Board and its Committees with the information needed

to be able to carry out the analysis and proposal for the adoption of such best practices and recommendations, thus enabling the Company to monitor them.

The Secretary may or may not be a Director and may or may not be an executive of the Company. The Secretary of the Board will also be Secretary of the committees, unless the Board decides otherwise.

b.11) Rules of Conduct.

The Company has a Code of Conduct and Good Practices and Internal Rules of Conduct in the field of stock markets, which include the standards of conduct applicable to the Directors of Acerinox, S.A., as well as the rest of the personnel of the Company and its Group.

c) Regarding the Principles of Information Transparency and Dissemination of the Corporate Governance Policy

The Company shall ensure all its information is transparent and of the maximum quality, so that public information about the Company is presented in a clear, complete, simple, orderly and understandable manner for the various stakeholders.

In particular, with regard to the annual corporate information, the Company shall:

- Approve an Annual Corporate Governance Report that meets the regulatory requirements governing its structure and content and provides the additional information that is required for its proper understanding and to offer an overview of compliance with the recommendations regarding corporate governance.
- Draw up an annual report on the Remuneration of Directors in accordance with the regulatory requirements governing its structure and content, which shall provide information on the remuneration policy of the Board of Directors and its implementation, and shall facilitate individualised information on the remuneration of individual directors. This report shall be subject to consultative vote at the General Shareholders' Meeting.

In addition, at the time of the convening of the General Shareholders' Meeting, the Company shall publish:

- The total number of shares and voting rights on the date of the General Meeting notice being issued.
- The Management Reports and the Annual Accounts (Report, Balance Sheet, Profit and Loss Account, the Changes in Net Equity Statement and Cash Flow Statement) together with the auditors' report and the proposed allocation of earnings.
- The report on the independence of the auditors.
- The report on the activities of the Audit Committee during the previous financial year.

- The Audit Committee's report on related operations during the previous financial year.
- The report on the activities of the Appointment, Remuneration and Corporate Governance Committee during the previous financial year.
- Information on the identity, curriculum, category, and supporting reports in relation to the appointment, ratification or re-election of Directors.

The Company has a corporate website which is kept up to date and reviewed periodically in order to make the necessary improvements in order to incorporate the most relevant information for its stakeholders, and improve its accessibility, operation and quality of information. The content and structure of the corporate website shall always respect the provisions of the applicable regulations. Most of the information that can be accessed on the website is also available in English.

Regarding communication, Acerinox, S.A. has approved, for itself and for the other companies of the Group, a policy called "Communication Policy for the Companies of the Acerinox Group".

IV.- Corporate Governance in the Subsidiaries of the Group.

The Companies may or may not have a collegial governance body, as shall be decided.

If it is collegial, the following principles shall be observed:

- Its members shall be proposed to the Board by the Managing Director.
- The majority proprietary ownership of the Acerinox Group in the share capital of the company shall be taken into account.
- Minority shareholders shall be represented in a fair and reasonable proportion.
- Independent persons may form part of company governance bodies when this is considered advantageous due to their knowledge, experience, relationship with the local company or similar circumstances.
- The majority of the members of the collegial body are executives of the Group.

Members of these governance bodies shall have the right to a remuneration in accordance with the Group's moderation conditions.