

PROPOSED RESOLUTION THAT THE BOARD OF DIRECTORS OF ACERINOX, S.A. SUBMITS TO THE ORDINARY GENERAL SHAREHOLDERS' MEETING CALLED FOR 31 MAY AND 01 JUNE 2017, ON FIRST AND SECOND NOTICE, RESPECTIVELY, IN COMPLIANCE WITH THE PROVISIONS OF ARTICLE 529R OF THE CAPITAL COMPANIES ACT, IN RELATION TO THE DIRECTORS' REMUNERATION POLICY INCLUDED IN THE FIFTH ITEM ON THE AGENDA OF SAID GENERAL SHAREHOLDERS' MEETING.

Fifth Item on the Agenda: "Approval, if applicable, of the Directors' Remuneration Policy, in compliance with the provisions of Article 529r of the Capital Companies Act."

In the Fifth item of the agenda, the Directors' Remuneration Policy for 2017 is submitted for approval to the General Shareholders' Meeting.

The Directors' Remuneration Policy of Acerinox, S.A. submitted to the General Shareholders' Meeting for the next three years does not entail any increase in terms of the remuneration that the Directors have been receiving since 2011, the year in which their remuneration was frozen.

In addition to this proposal for the approval of the General Shareholders' Meeting, the specific report of the Appointments, Remuneration and Corporate Governance Committee is presented.

Proposed resolution:

In compliance with what is established in article 529r and concordant articles and in accordance with the Capital Companies Act, 16.l), and 25.3 of the Articles of Association, and 11.III.3.B.f) of the Acerinox S.A. Board of Directors Regulations, on the motion of the Acerinox S.A. Board of Directors, and following a report prepared by the Appointments, Remuneration, and Corporate Governance Committee, the following Directors' Remuneration Policy is hereby submitted for approval:

I.- General Principles of the Remunerations Policy

This Remuneration Policy encompasses several principles that are deeply-rooted in the philosophy of Acerinox:

- Moderation in terms of the amounts that should be sufficient but not so large that they compromise impartiality and independence.
- Motivate attendance at all meetings, encouraging true dedication.
- Not interfere in the goals of the company through the creation of short-term stimuli.
- Be reasonably aligned with the general practice at companies with a comparable capitalisation.
- Distinguish between the status of the executive directors and that of non-executive directors.

For its part, the remuneration of executive directors for the performance of executive duties is based on the following principles:

- Respecting the rights the interested party may have acquired if, before his appointment as executive director, he has provided labour services for the Company.
- Maintaining the competitive nature of the executive director remuneration with regard to that of the competition.
- Aligning the variable remuneration with the financial results.
- Acknowledging the capacity for creating value, as well as the competences and personal profile of the executive director.

II.- Director Remuneration in General

The remuneration for members of the Board of Directors shall be the following:

- a) A fixed annual remuneration of EUR 60,614.26, divided into 14 payments. Periods of less than one year will be apportioned correspondingly.
- b) An additional remuneration of EUR 1,855.55 for each meeting of the Board of Directors that is attended, even if said attendance is performed on-line.
- c) An additional remuneration of EUR 1,855.55 for each meeting of the Executive Committee, the Audit Committee, or the Appointments, Remuneration and Corporate Governance Committee that is attended, even if said attendance is performed on-line.
- d) In the event that other committees are created in the future, the **additional** remuneration earned shall be the same as the amount established in letters b) and c), unless the Board proposes otherwise.
- e) The Chairman of the Board of Directors will receive a fixed remuneration of EUR 121,228.52, as well as an **additional** one of EUR 3,711.10 for each meeting of the Board of Directors he attends. If said individual is the chairman or is a member of another committee, said individual will receive the same allowances as the remaining directors.
- f) If a Vice-Chairman is appointed, said individual would only receive the amounts assigned to the Chairman in proportion to the sessions where the Vice-Chairman substitutes the Chairman.
- g) Unless he is a manager of Acerinox, the Secretary of the Board or a Committee will receive the same remuneration as the directors, whether he is one or not.
- h) The maximum annual remuneration to be paid to the group of directors, for their position as such, shall be EUR 1,750,000.

The aforementioned amounts may or may not be updated annually, as long as this policy remains in force, through the decision of the Board of Directors and a prior report drawn up by the Appointments, Remunerations and Corporate Governance Committee on the basis of rationality and prudence.

III.- Remuneration of Directors who perform executive duties at Acerinox S.A

1. Prior considerations

A special contract must be executed between an individual and the company when said individual performs executive duties; said special contract must be approved by the Board of Directors by a majority of two thirds.

A special clause shall determine the effects of acquiring the status of director and any future loss of this status in any case in which the director has been an employee of Acerinox, under any condition and in any position. This clause shall resolve any doubts that could arise from the change in the individual's relationship with the company, in accordance with legislation and case law interpretations at any given time.

2. Fixed remuneration

Executive directors, on top of the amounts that they receive for being a member of and attending the Board, and in addition to their commissions, will receive a fixed remuneration and one or more variable items.

The amount of the fixed remuneration may or may not be established in their respective contracts and updated annually, at the beginning of the calendar year or retroactively, by means of a decision of the Board of Directors.

3. Variable remuneration

- a) Any remuneration received by Executive Directors for belonging to other governance bodies of group companies other than Acerinox S.A. shall also be considered, for these purposes, as variable remuneration. The amounts shall be reflected in the Annual Corporate Governance Report and in the Annual Remuneration Report.
- b) In the sole case of Executive Directors is it considered appropriate to stimulate the reaching of targets and provisions, as well as remunerating the special dedication and sacrifice by means of an annual bonus.

This annual bonus shall be paid in accordance with the same methodology applicable to the remaining members of senior management.

Bonuses for executive directors shall be proposed by the Board of Directors through the Appointments, Remuneration and Corporate Governance Committee, and the amounts shall be reflected in the Annual Corporate Governance Report, the Annual Remuneration Report and the Annual Report.

- c) In accordance with what is established in article 25.6 of the Articles of Association, Executive Directors may enjoy a variable remunerations system based on shares or on rights over said shares; this system must be approved by the General Shareholders' Meeting. This system may be structured through cash payments, stock option plans, or the handover of

shares in the company. Should the variable remuneration materialise through stock option plans or plans for the handover of shares, said plans shall be granted for free; settlement may be carried out for any differences and shall not be transferable, except for any exceptions that may be established. This variable remuneration may be established each year and its maturity may be multi-year.

4. Payment in kind

Under the terms of article 25.6 of the Articles of Association, executive directors may enjoy the same remuneration structure in kind, should such a structure exist, as the one established for managers of the company for which they provide their services.

5. Supplementary system for social security

Directors that perform executive duties at Acerinox shall benefit from a supplementary system for long-term social security savings that shall be established in their respective contracts, considering their personal circumstances. The amounts contributed by the company in favour of executive directors for this item, and the characteristics of this benefit, shall be detailed in the Annual Corporate Governance Report, the Annual Remuneration Report and the Annual Report.

IV.- Dismissal Benefits

Directors shall not receive any amount whatsoever as a consequence of being dismissed from their duties.

Contracts executed to regulate the relationship between executive directors and the company may include severance pay according to the individual's services, but only if said dismissal were not a consequence of that individual's resignation from the Board or a disciplinary dismissal.

Madrid, 26 April 2017