

PROPOSED RESOLUTIONS OF THE BOARD OF DIRECTORS TO BE SUBMITTED TO THE ORDINARY GENERAL SHAREHOLDERS' MEETING OF ACERINOX, S.A. TO BE HELD ON FIRST NOTICE ON 31 MAY 2017 AND ON SECOND NOTICE ON 01 JUNE 2017

First Item on the Agenda: "Examination and approval, if applicable, of the financial statement (Balance Sheet, Profit and Loss Account, Status of Changes in the Net Equity for the Financial Year, Cash Flow Statement and the Annual Report) and management reports referring to ACERINOX, S.A. and its Consolidated Group, all of which pertain to the year ended 31 December 2016".

In relation to first item of the Agenda of the General Meeting, the Board of Directors proposes the following resolution:

'Approve the financial statements (Balance Sheet, Profit and Loss Account, Status of Changes in the Net Equity for the Financial Year, Cash Flow Statement and the Annual Report) and Management Report of ACERINOX, S.A., as well as the financial statements and Management Report of its Consolidated Group for the year ended 31 December 2016.

Second Item on the Agenda: "Approve, if applicable, the proposed distribution of earnings of ACERINOX, S.A. corresponding to the year ended 31 December 2016".

In relation to the second item of the Agenda of the General Meeting, the Board of Directors proposes the following resolution:

"Approve the following proposed distribution of earnings of ACERINOX, S.A. for the year ended 31 December 2016.

Result of the financial year	EUR 1,336,281.27
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Appropriation:

- Setting aside legal reserve	EUR 133,628.13
- Offset previous year's losses	EUR 1,202,653.14

Third Item on the Agenda: "Approve, if appropriate, the management of the Board of Directors for the year ended 31 December 2016".

In relation to the third item of the Agenda of the General Meeting, the Board of Directors proposes the following resolution:

"Approve the management of the Board of Directors of ACERINOX, S.A. for the year ended 31 December 2016".

Fourth Item on the Agenda: "Approval, if appropriate, of the distribution of a dividend of unrestricted reserves at the amount of EUR 0.45 per share to be paid up on 5 July, 2017.

In relation to the Fourth Item on the Agenda of the General Meeting, the Board of Directors proposes the following resolution:

"Approve the distribution of a dividend of unrestricted reserves for sum of EUR 0.45 per share of the EUR 276,067,543 outstanding shares, amounting to EUR 124,230,394.35. This dividend will be paid on 5 July 2017".

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

In relation to the Fifth Item on the Agenda of the General Meeting, the Board of Directors proposes the following resolution:

In compliance with the provisions of Article 529r and related articles of the Capital Companies Act (LSC), 16.1) and 25.3 of the Articles of Association and 11.III.B.f) of the Regulations of the Board. The Board of Directors of Acerinox S.A., after a report from the Appointments, Remuneration and Corporate Governance Committee, submits upon approval of the General Shareholders' Meeting the following Board of Directors' Remunerations Policy:

"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, Remuneration 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 attending 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, which depends on the results of the company.

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 an additional 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.

Sixth Item on the Agenda: "Re-election, ratification and appointment of board members, as applicable:

6.1. Re-election of Mr. Ryo Hattori as Director

6.2. Ratification and Appointment of Mr. Tomás Hevia Armengol as Independent Director.

6.3. Appointment of Ms. Rosa María García Piñeiro as Independent Director.

6.4. Appointment of Ms. Laura González Molero as Independent Director.

6.5. Appointment of Ms. Marta Martínez Alonso as Independent Director.

In relation to item Six point one of the Agenda of the General Shareholders' Meeting, the Board of Directors, subject to a report from the Appointments, Remuneration and Corporate Governance Committee, proposes the following resolution:

- 6.1** “Re-elect Mr. Ryo Hattori to his position as Director of ACERINOX, S.A. for a period of four years as provided in the Articles of Associations, who would otherwise have had to step down as the statutory term for which he was nominated at the Meeting held on 05 June 2013 has reached its conclusion and is subject to re-election. Mr. Ryo Hattori is appointed as External Proprietary Director on behalf of Nisshin Steel Co. Ltd.”

As proposed by the Appointments, Remuneration and Corporate Governance Committee, in relation to item Six point two, three and four of the Agenda of the General Shareholders’ Meeting, the Board of Directors proposes the following resolution:

- 6.2** "Ratify the appointment through co-option of Mr. Tomás Hevia Armengol as Director of ACERINOX, S.A. carried out by the ACERINOX, S.A. Board of Directors on 21 December 2016 and appoint Mr. Tomás Hevia Armengol as Director of ACERINOX, S.A. for a period of four years, as set out in the Articles of Association. Mr. Hevia Armengol is appointed as External Proprietary Director on behalf of Corporación Financiera Alba, S.A."

- 6.3** "Ratify the appointment through co-optation of Ms. Rosa María García Piñeiro as Director of ACERINOX, S.A. carried out by the ACERINOX, S.A. Board of Directors on 26 April 2017 and appoint Ms. Rosa María García Piñeiro as Director of ACERINOX, S.A. for a period of four years, as set out in the Articles of Association. Ms. García Piñeiro is appointed as External Independent Director."

- 6.4** "Ratify the appointment through co-optation of Ms. Laura González Molero as Director of ACERINOX, S.A. carried out by the ACERINOX, S.A. Board of Directors on 26 April 2017 and appoint Ms. Laura González Molero as Director of ACERINOX, S.A. for a period of four years, as set out in the Articles of Association. Ms. González Molero is appointed as External Independent Director."

As proposed by the Appointments, Remuneration and Corporate Governance Committee, in relation to item Six point five of the Agenda of the General Shareholders’ Meeting, the Board of Directors proposes the following resolutions:

- 6.5** “To appoint Ms. Marta Martínez Alonso as Director of ACERINOX, S.A. for a period of four years, as set out in the Articles of Association. Ms. Martínez Alonso is appointed as External Independent Director.”

Seventh Item on the Agenda: "Delegation of powers to the Board of Directors for the execution, correction and authorisation of the resolutions adopted at the Meeting, and capacity of the powers to convert said resolutions into a public document."

In relation to the Seventh Item of the Agenda of the General Meeting, the Board of Directors proposes the following resolution:

"Delegate to the Board of Directors of ACERINOX, S.A., the proper interpretation, correction, application, completion, development and implementation of the resolutions passed by the General Meeting, as well as substituting the powers received from the General Shareholders' Meeting and delegating powers for the formalisation and registration thereof, indistinctly authorising Mr. Rafael Miranda Robredo, Mr. Bernardo Velázquez Herreros and Mr. Luis Gimeno Valledor to appear before a Public Notary and convert the foregoing resolutions into a public document. The power to rectify will include the power to make any such modifications, amendments and additions as may be necessary or desirable as a result of objections or observations raised by the regulators of the securities markets, the Stock Exchanges, the Commercial Register and any other competent public authorities relating to the resolutions adopted."

MATTERS FOR ADVISORY VOTE

Eighth Item on the Agenda: "Submitting the Annual Directors' Remuneration Report of Acerinox, S.A., corresponding to the year ended 31 December 2016, to an advisory vote."

In relation to the Eighth Item on the Agenda of the General Meeting, the Board of Directors proposes the following resolution:

"Approve the Annual Directors' Remuneration Report of ACERINOX, S.A., corresponding to the year ended 31 December 2016, referred to in Article 541 of the Capital Companies Act, whose text has been made available to the shareholders, in addition to the rest of the documentation relating to the General Meeting."

MATTERS OF REPORTING

Ninth Item on the Agenda: "Chairman's Report Report on the most relevant aspects regarding Corporate Governance of the Company."

FINAL ITEM TO BE APPROVED

Tenth Item on the Agenda: "Appointment of administrators to approve the Minutes of the Meeting."

In relation to the Tenth Item of the Agenda of the General Meeting, the Board of Directors proposes the following resolution:

"Appoint Ms. Mari Luz Blasco Pérez, by majority, and Ms. María Lucía Alonso de Noriega Muñiz, by minority, as auditors to approve the Minutes of the General Shareholders' Meeting of ACERINOX, S.A."

Madrid, 26 April 2017