

**REGULATION FOR THE GENERAL MEETING OF  
SHAREHOLDERS OF  
ACERINOX, S.A.**

July 2015

## **Article 1.- Purpose of the regulation.**

The purpose of the Regulation is to regulate the General Shareholders' Meeting of ACERINOX, S.A. supplementing and implementing the rules laid down in the commercial legislation and in the Articles of Association.

## **Article 2.- Scope of application and validity.**

This Regulation applies to all the General Shareholders' Meetings held from the date of its approval.

The Board of Directors may, at the General Shareholders' Meeting, suggest amendments to the Regulation when, in its opinion, it is deemed appropriate or necessary to do so. The proposal shall be accompanied by a report justifying such amendment.

In order for the approval and amendment to the Regulation to be valid, the resolution must be adopted by the same number of votes as required for amending the Articles of Association.

## **Article 3- Types of shareholder meetings and powers.**

### **3.1 Ordinary General Meeting.**

The General Meetings may be either Ordinary or Extraordinary.

The ordinary General Meeting, with previous call notice to attend issued to this effect, must meet within the first six months of each financial year in order to, where applicable, approve company management, approve the financial accounts for the last financial year and decide on the distribution of profit.

The Ordinary General Meeting will be valid even if it has been called or held on a date after the six-month term.

In addition, the Ordinary General Meeting shall have the power to consider and resolve any other matter that appears on the Agenda.

### **3.2 Extraordinary General Meeting.**

Any meeting other than the one mentioned in the paragraph above will be considered an Extraordinary General Meeting.

### **3.3 Powers of the General Meeting.**

The General Meeting shall have the power to consider and agree on the following matters:

- a) The approval of the annual accounts, the distribution of profit and the approval of company management.
- b) The appointment and removal of directors, of liquidators and, where applicable, the account auditors, as well as undertaking any actions against these in accordance with the Company's responsibility.
- c) The amendment of the Company By-Laws.
- d) The increase or reduction of the share capital.
- e) Restrictions or limitations to the right of preferential subscription.
- f) The acquisition, disposal or provision of another key asset company.

- g) The transformation, merger, division or global assignment of assets and liabilities and the transfer of the registered office abroad.
- h) The dissolution of the company.
- i) The approval of the final settlement balance sheet.
- j) The transfer of entities dependent on key activities undertaken by the Company up to that moment, even if it maintains full control over them.
- k) The transactions whose effects are equivalent to those of liquidating the Company.
- l) The remuneration policy for the Directors according to the terms established by Law.
- m) Any other matter as established by the law or the By-Laws.

A key activity or operational asset is to be considered as such when the volume of the operation surpasses twenty-five percent of the total assets listed on the balance sheet.

The General Shareholders Meeting has no power to give instructions to the Board of Directors or subject to its authority the adoption by this body of decisions or resolutions regarding management affairs.

#### **Article 4. Call notice.**

##### **4.1 Publication.**

Both Ordinary and Extraordinary General Meetings shall be called by the Board of Directors, by means of an announcement published in the "Boletín Oficial del Registro Mercantil" [Official Commercial Register Gazette] or in one of the larger circulating daily newspapers in Spain, on the website of the Comisión Nacional del Mercado de Valores and on the Company's web page ([www.acerinox.com](http://www.acerinox.com)). There must be a period of at least one month between the call notice to attend and the date set for the Meeting.

In addition, it must also state the date and time at which the General Meeting will be held on second call, as the case may be. Between the first and second calls there must be a period of at least twenty-four hours.

##### **4.2 Content.**

The call notice will indicate the name of the Company, the date and time of the meeting, the business included in the agenda and the position held by those convening the meeting.

The announcement of the call to the General Meeting, in addition to the legally required general references, will also indicate the date in which shareholders must have their shares registered in their name in order to take part and vote in the General Meeting, the place and manner in which the complete documents and proposed resolutions can be obtained, and the company's web site where the information will be available.

Furthermore, the notice must contain clear and precise information on the procedures that shareholders must follow in order to take part and cast their vote in the General Meeting, including the following points:

- a) The right to request information, to include business in the agenda, and to submit proposals for resolutions, as well as the term for exercising this right. When it is stated that that more detailed information on these rights is available on the on the

Company's website the call notice may merely indicate the term for exercising said rights.

b) The system for casting votes by proxy, with specific indication of which forms must be used to delegate one's vote and which means must be used so the Company can accept an electronic notification of the appointed representatives.

c) The procedures established for distance voting, either by mail or electronic means.

#### 4.3 General Information prior to the Meeting

From the publication of the call to meeting to the moment in which the General Meeting is held, the Company must permanently post the following information on its web page, as a minimum:

a) The call notice to meeting.

b) The total number of shares and voting rights as of the date of the call to meeting, itemised by types of shares, if applicable.

c) The documents which must be submitted to the General Meeting, and in particular, any reports issued by directors, accounts auditors and independent experts.

d) The complete text of the proposals for resolution for each and every one of the items on the Agenda or, regarding those items which are strictly informative, a report from the competent authorities on each of these items. The proposals for resolution submitted by the shareholders will also be posted, as they are received.

e) In the case of appointments, ratifications or re-elections of Board Members, the identity, curriculum vitae and category of each, as well as the proposals and reports indicated in The Corporate Enterprise Act. If it were a legal entity, the information must include the corresponding data of the person who is to be appointed to perform the functions of the post on an ongoing basis.

f) The forms used in order to vote by proxy or by distance voting, except when these are sent directly to each shareholder by the company. If for technical reasons these cannot be published on the web page, the company must indicate on the site how a hard copy can be obtained. Hard copies must be sent to each shareholder requesting one.

#### 4.4 Right to add the agenda.

Shareholders representing at least three percent of the share capital may request that a supplement be added to the call notice of an ordinary General Meeting, including one or more items on the agenda, provided that the new items are submitted together with an explanation justifying their inclusion or, where applicable, a proposal for resolution duly justified. Under no circumstances may this right be exercised for call notices to attend an extraordinary general meeting.

The right must be exercised by providing notice by attested means, which must be received at the registered office within five days following publication of the notice to attend. The supplement to the notice must be published within a minimum of fifteen days prior to the date set for the shareholders meeting. Failure to publish the supplement within this period will be deemed a reason to challenge the Meeting.

#### 4.5 Right to present new resolution proposals.

Shareholders representing at least three percent of the share capital may, within the same period indicated in the above paragraph, submit justified proposals for

resolution on matters already included or which may be included on the agenda of the Meeting called. The Company shall ensure the distribution of these proposals for resolution and, where applicable, of the accompanying documentation, to the remainder of the shareholders in accordance with the provisions in the Law.

#### 4.6 Request to call to meeting by minority.

The Board of Directors must call a General Meeting when requested to do so by one or more shareholders who represent at least three percent of the share capital. The application must include the matters to be dealt.

In this case, the General Meeting must be held within two months following to the date on which the directors were formally requested to call it, including in the agenda the matters which are the subject of the request.

#### 4.7 Universal Meeting.

However, the Meeting shall be deemed to have been called and will meet a quorum to consider any matter provided that shareholders representing the entire share capital are present or represented and the attendees unanimously agree to hold the Meeting.

#### 4.8 Electronic Forum.

The Board of Directors is responsible for approving the operational guidelines of the Electronic Forum of Shareholders. These guidelines will be available on the Company's website.

### **Article 5.- Right of shareholder participation and information.**

- 5.1 Up to the fifth day prior to the date set for the Meeting, the shareholders may, in relation to the matters included on the Agenda, request from the Directors any information or clarification they may deem necessary, or put in writing any questions deemed relevant. The Directors shall be bound to provide this information in writing until the day of the General Meeting.
- 5.2 During the General Meeting, the Shareholders of the Company may verbally request any information or clarification as deemed necessary concerning the matters covered in the Agenda. Where it is not possible to satisfy the shareholder's right in this respect, the directors must provide this information in writing within seven days from the end of the meeting.
- 5.3 The directors must provide the information requested by means of the two paragraphs above, except when this information is irrelevant to the stewardship of the shareholders, or if there are objective reasons to believe that it may be used for purposes alien to the company, or if its publication may be to the detriment of the Company or its related companies.

The supply of this information cannot be denied when the request is backed by shareholders representing at least twenty-five percent of the share capital.

The shareholders may, in writing up to the fifth day before the date set for the meeting, or verbally during the meeting, request from the Directors any clarification deemed necessary concerning information accessible to the public which the Company has provided to the Comisión Nacional del Mercado de Valores since the last General Shareholders Meeting and concerning the audit report.

- 5.4 The documentation referenced in Article 4.3 of this By-Law will be made available to the shareholders at the location and on the date of the General Meeting.
- 5.5 To aid the shareholder's right to information, the call notice to attend the Meeting shall indicate a telephone number for shareholder information and the details of the company's website.

#### **Article 6.- Right of Attendance**

- 6.1 Shareholders owning a minimum of three hundred shares may attend the General Meeting, provided that they are registered in the corresponding accounting register five days before the meeting is held, and are in possession of the corresponding attendance card bearing the holder's name issued by the legally appropriate agencies, and, where applicable, by the Company.
- Registration of attendance cards shall close at the time set for the Meeting.
- 6.2 Shareholders who do not possess the number of shares indicated in the paragraph above may pool their shares for the purposes of attendance, appointing from amongst themselves a representative at the Meeting.

#### **Article 7.- Representation, distance voting and voting by brokerage houses.**

##### **1. Attendance by Proxy.**

All shareholders having attendance rights may be represented at the General Meeting by another individual, who does not have to be a shareholder.

The appointment of the representative by the shareholder and the proxy notice to the Company may be done in writing or by electronic means.

The powers of representation must be conferred for each Meeting.

The documents attesting to the representation for the General Meeting will include the identification of the individual attending in the place of the shareholder, who must properly identify himself on the day of the Meeting.

Should the representations be deemed in favour of the Board of Directors or were unspecified in this regard, it is understood that the representation was awarded to the Chairman of the Board, the Managing Director or the Board Secretary, irrespectively. Should the designated representative find him or herself with a conflict of interest when voting on the proposals submitted to the Meeting on or off the Agenda, and for which the person represented did not leave clear instructions, this representation shall be understood to be transferred to either of the other two persons mentioned who are not affected by this circumstance.

The documents with the representations for the General Meeting shall reflect the instructions with regard to the way to vote, with the proviso that, where nothing is mentioned, the representative will give precise instructions to vote in favour of the proposed agreements put forward in the Agenda and, unless told otherwise by the shareholder, the representative will vote on the issues that do not feature on the Agenda and, being yet unknown at the time of delegation, they may be subjected to voting in the Board, in which case the representative will issue a vote in the sense that he or she considers most favourable for the interests of the Company and the person represented.

## 2. Distance voting

For any type of General Meeting, the vote on proposals on items covered in the agenda may be delegated or performed by the shareholder by means of postal or electronic correspondence, provided that the identity of the subject exercising the right to vote and the security of the electronic communications are duly guaranteed.

The notice of the call to meeting and the Company's web page shall indicate the manner and procedures in order to vote by means of remote communication which were approved by the Board.

Shareholders casting a distance vote are to be considered as present in convening the Meeting.

## 3. Separate voting by item.

At the General Meeting, those items which are substantially independent must put to a separate vote.

Each item on the Meeting Agenda will be put to vote separately; in any case, even if the following were to be included in the same item, they must be voted on separately:

- a) the appointment, ratification, re-election or removal of each director.
- b) in the amendment of the Company By-Laws, each article or group of article having its own autonomy.

## 4. Voting by brokerage houses.

Entities considered to be legitimate shareholders by virtue of the book value of their shares, yet acting on the behalf of several individuals, may by all means divide their vote and cast opposing votes in order to comply with differing instructions, if indeed they had received such instructions to that effect.

The brokerage houses referred to in the paragraph above may delegate their vote to each of the indirect titleholders or third parties appointed by them, without having to limit the number of appointments made.

## **Article 8.- Constitution of the shareholders' meeting.**

- 8.1 The General Shareholders Meeting will meet a quorum on first call when shareholders owning at least twenty-five percent of the subscribed capital with voting rights are present or represented. On second call the General Shareholders Meeting will be deemed to meet a quorum regardless of the share capital in attendance.
- 8.2 In order for the ordinary or extraordinary General Shareholders Meeting to legitimately agree to an increase or reduction in capital and any other amendment to the Articles of Association, the issuance of new bonds, the elimination or limitation of pre-emptive rights, as well as the transfer, merger, division or global assignment of assets and liabilities and the transfer of the registered offices abroad, shareholders owning at least fifty percent of the subscribed capital with voting rights must be present or represented on first call.

On second call, it will be sufficient if only twenty-five percent are in attendance.

## **Article 9.- Chairing the General Meeting.**

### **1. Chairman and Secretary of the Board**

The Chairman of the Board or, in his absence the Vice-Chairman, shall preside over the General Shareholders' Meeting. The Secretary to the Board shall act as Secretary to the Meeting.

In the absence of the persons mentioned in the preceding paragraph, the role of Chairman and Secretary shall be performed by the persons designated by the attendees at the Meeting.

### **2. Faculties of the Chairman:**

- a) Open the session.
- b) Check that the constitution of the General Shareholder's Meeting is valid and, if so, declare it quorate.
- c) Request the presence of a notary to write the minutes of the Meeting if required to do so by the Board of Directors.
- d) Resolve any queries, explanations or claims in relation with the list of attendance, the identity and legitimacy of the shareholders and representatives, the authenticity and integrity of the attendance cards, proxy and distance voting cards and the corresponding accreditation means, and any issues in relation with the exclusion, suspension or limiting of political rights and especially the voting rights of the shares in accordance with the law.
- e) Address the General Meeting, if considered appropriate, to explain the situation of the Company, and to present the results, objectives and projects it has.
- f) Give the floor to such Board Members or Directors as he or she deems appropriate to address the General Shareholder's Meeting.
- g) Arrange and control the interventions so that the discussions progress in accordance with the Agenda set.
- h) Arrange and control the discussions, giving the floor to the shareholders on request, retiring and refusing this permission when it is felt that an issue has been discussed enough, is not on the Agenda or is likely to disrupt the orderly progress of the Meeting.
- i) Reject proposals from the shareholders when they are inappropriate or untimely.
- j) Indicate the time to cast votes.
- k) Establish the voting systems and procedures, organize the voting and determine the system of counting and calculating the votes.
- l) Announce the result of the votes.
- m) Suspend the General Meeting temporarily.
- n) Declare the closure of the Meeting.
- o) In general, perform the other faculties, including order and discipline, required for the orderly progress of the Meeting.

The Chairman of the Meeting may, despite being present, delegate the control of the debate and other functions such as advancing and calling the meeting to order as he

or she deems appropriate to another Member of the Board or the Secretary of the General Meeting, who will carry out these functions on his or her behalf, and may recover these functions at any time.

#### **Article 10.- General Meeting Executive.**

The Presiding Commission of the General Meeting will be made up of the Board of Directors.

#### **Article 11. - Procedure**

- 11.1 On opening the session the Secretary shall read out the details of the call and attendance based on the attendance list created by the Board for this purpose. The list shall state the nature or representation of each one and the number of shares owned or held in representation.

The list of attendees may also be prepared as a file or stored on a digital medium. In such cases, the medium used shall be included in the Minutes and the sealed cover of the file or the medium shall carry the appropriate certificate identifying it, signed by the Secretary and counter-signed by the Chairman.

- 11.2 The summary of the list of attendees will determine the number of shareholders present or represented, as well as the amount of the capital held, specifying those shareholders that have the right to vote.

- 11.3 On checking the attendance list, the Chairman shall then declare the Meeting to be quorate, if appropriate. The Secretary of the Meeting, or where applicable, the Notary requested to take the Minutes of the Meeting by the Company, shall ask the attendees if they wish to make any reservations or challenge the statements made by the Chairman concerning the attendance details regarding shareholders and capital. Any shareholder who makes a reservation must display his attendance card to the auxiliary staff of the Presiding Commission, these being the persons responsible for checking and correcting the error, as the case may be.

- 11.4 Next, the Chairman shall report to the Meeting on the most relevant aspects of the financial year and the Board's proposals. The presentation may be completed by persons so authorised by the Chairman.. The Chairman of the Audit Committee or any of its members representing the Audit Committee shall be available at the Meetings to respond to questions raised by the shareholders on matters of its competence. In order to facilitate the drafting of the Minutes, on completion of the presentation, the Chairman shall ask those shareholders wishing to take the floor to approach the relevant assistants and show them their attendance cards to allow them to organise the turns, he shall allow those shareholders who have so requested it to speak, directing and maintaining the discussion within the limits of the Agenda. The Chairman may stop the discussion when the matter, in his opinion, has been sufficiently debated and shall then submit the different proposed resolutions to a vote, with each resolution being read by the Secretary. The reading of the proposals may be extracted, at the Chairman's discretion, provided that shareholders representing a majority of the subscribed capital with the right to vote present at the Meeting make no objection and the complete text thereof has been made available to the attendees.

- 11.5 Company resolutions will be adopted by a simple majority of votes from shareholders present or represented at the General Meeting, with a resolution considered as adopted when the share capital present or represented votes more in its favour than against it.

For the approval of the resolutions referred to in the second paragraph of article 13 of the By-Laws, if the capital present or represented amounts to more than 50 per cent the resolutions will be approved by absolute majority. However, a favourable vote of two-thirds of the share capital present or represented in the General Meeting will be required when the shareholders attending the second call represent twenty-five percent or more of the subscribed capital with voting rights without reaching fifty percent.

Individual voting will not be necessary when, through acclamation or a show of hands, the result of the vote is obvious, thereby facilitating the smooth running of the Meeting. This shall not prevent the declaration of a vote against from the shareholders who so request it, for the purposes of challenging or for any other reason.

#### **Article 12.- Minutes of the General Meeting.**

- 12.1 The Minutes of the Meeting shall be approved by the Shareholders after the meeting is held and, where this is not the case, within a period of fifteen days, by the Chairman of the Meeting and two comptrollers, with one representing the majority and the other representing the minority. The Minutes approved in any of these ways shall have executive force from the date of approval.
- 12.2 In the event that the Meeting is held with the presence of a Notary, who is required by the Board of Directors to take the Minutes as established in law, the Notarial Minutes shall be deemed the Minutes of the Meeting, and no approval is necessary.

#### **Article 13.- Interpretation.**

This Regulation supplements the standards applicable to the General Shareholders' Meeting contained in the commercial legislation in force and in the Articles of Association. If there is any discrepancy between that established in this Regulation and in the Articles of Association, the provisions of the Articles shall prevail.