



Acerinox, S.A. and its Group of companies Tax Policy

October 25, 2016

Free translation from the original in Spanish. In the event of discrepancy,
the Spanish-language version prevails.



ACERINOX, S.A. AND ITS GROUP OF COMPANIES TAX POLICY

Index

I.- Objective.....	3
II.- Principles.....	3
III.- Good Tax Practices.....	3
IV.- Monitoring and Control.....	4
V.- Dissemination and Updating of the General Tax Policy.....	5
a) Dissemination of the Corporate Tax Policy within the Group.....	5
b) Information available to the market.....	5
c) Management Report.....	5
VI.- Cooperation with Tax Authorities.....	5

ACERINOX, S.A. AND ITS GROUP OF COMPANIES TAX POLICY

The Board of Directors of ACERINOX, S.A. ("**Acerinox**") 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

The purpose of the company's Tax Policy is basically to ensure the implementation of applicable tax legislation and the appropriate coordination of this policy as implemented by the entities belonging to the Group, whose parent company, in accordance with the law, is Acerinox, S.A. The overarching purpose of the above is to help prevent fiscal inefficiencies and risks in the implementation of business decisions.

II.- Principles

The Group's compliance with its tax obligations and its relations with tax authorities shall be governed by the following principles:

- a) Compliance with tax regulations in the different countries and territories in which the Group operates, and the payment of taxes stipulated by the respective legislation.
- b) Decision-making in matters of taxation based on a reasonable interpretation of the applicable regulations.
- c) Prevention and reduction of significant tax risks by ensuring that there is an appropriate relationship between taxation and the structure and location of activities, human and material resources.
- d) The fostering of a loyal relationship with authorities in matters of taxation based on respect for the law, trust, professionalism, collaboration, reciprocity and good faith.
- e) Informing the Board of Directors of the main tax implications of the operations or matters subject to its approval.

III.- Good Tax Practices

The Acerinox Group considers the following to be good tax practices and will adapt its operations accordingly:

- a) When a company has its headquarters in countries or territories classified as tax havens, that presence should be justified by strategic and business reasons, and there shall not be an unnecessary flow of income to these companies.

ACERINOX, S.A. AND ITS GROUP OF COMPANIES TAX POLICY

- b) The operations that the Group performs and the structures that it uses shall respect legal logic and consistency, without resorting to artifices that are not based on a reasonable interpretation of mercantile reality and standards.
- c) In the case of operations of particular complexity or those which could cast doubt, or simply when their relevance deems it necessary, expert legal advice shall be sought, and the tax authorities shall be consulted, where applicable and when possible.
- d) If there were no opportunity to make such a consultation, or if it were impossible for any other reason, the Board of Directors may recommend paying the relevant tax in the most prudent manner possible, notwithstanding the possibility of challenging that payment at a later date.
- e) The Group and its companies will draw the necessary conclusions of administrative proceeding to which they are party and from the experience of other companies in similar situations.
- f) The conduct of the Group in the definition of their transfer pricing and the implementation of the system shall be guided by the support and advice of top level experts.
- g) Payments made or received by the Group shall be duly documented and appear in banking records.
- h) Acerinox and its companies will cooperate with the various tax authorities in the detection of illegal practices by third parties and in the implementation of credit embargoes in favour of public authorities.

The Board of Directors may add other good practices to the list when, in the light of its own experience or that of third parties, or as a result of having signed agreements with the public authorities, it is deemed appropriate.

IV.- Monitoring and Control

The Company shall adopt whatever control mechanisms are needed to ensure compliance with tax legislation and the above principles by all companies of the Group, as part of the appropriate management of its business.

Furthermore, it shall devote the necessary material and human resources for such purpose, which shall be sufficiently qualified, in the case of the latter.

Acerinox will do everything possible to ensure the aforementioned principles and good practices are applied in all the companies of the Group, although it does not have majority ownership of them.

V.- Dissemination and Updating of the General Tax Policy

a) Dissemination of the Corporate Tax Policy within the Group.

The Board of Directors of the Company, by means of its Chairman, Managing Director and senior management, shall foster the implementation of the principles and good tax practices that are contained in this Tax Policy on behalf of the companies belonging to the Group. The Company shall publish this policy on its website.

b) Information available to the market.

The Company's annual reports shall reflect the degree of effective implementation of this policy, as well as of the other regulations or recommendations of a similar nature to which the companies of the Group adhere, and shall report on the operation of the tax risk control systems.

c) Management Report.

The Acerinox Group Management Report will include a specific section which will give details of the Group's contribution to the various public tax and social security systems.

VI.- Cooperation with Tax Authorities

Acerinox signed the Code of Good Tax Practices, which was approved on 20 July 2010 by the plenary session of the Large Companies Forum, formed at the request of the Spanish Ministry of Finance.

The Board of Directors may authorise the adoption of substantially similar agreements with tax authorities in other countries, if they involve the implementation of these policies or other principles that are deemed necessary.