



**CODE OF CONDUCT AND
GOOD PRACTICES
OF ACERINOX, S.A. AND
ITS GROUP OF COMPANIES**

25 October 2016

I N D E X

I. PURPOSE AND SCOPE OF APPLICATION

II. PROTECTED INTERESTS

- Article 1 - The Workers
- Article 2 - Health and Safety in the Workplace
- Article 3 - The Clients
- Article 4 - The Suppliers
- Article 5 - The Competitors
- Article 6 - The Shareholders

III. COMMITMENTS OF CONDUCT AND RESPONSIBLE PRACTICES

- Article 7 - Conflict of Interests
- Article 8 - Presents, Gifts and Favours
- Article 9 - Prevention of Corruption
- Article 10 - Use and Protection of Acerinox Group Assets
- Article 11 - Contribution to the Welfare State
- Article 12 - Private or Confidential Information
- Article 13 - Insider Information
- Article 14 - Protection of the Environment
- Article 15 - General Rules for Procurement and Sales
- Article 16 - Measures to Prevent Harassment in the Workplace
- Article 17 - Truthful, Adequate and Useful Information

IV. DISSEMINATION, ASSESSMENT AND MONITORING OF THE CODE OF CONDUCT AND GOOD PRACTICES

- Article 18 - Dissemination, Acceptance and Enforcement
- Article 19 - Help and Information
- Article 20 - Monitoring Committee for the Code of Conduct
- Article 21 - Complaint Channels
- Article 22 - Action and Investigation
- Article 23 - Disciplinary System
- Article 24 - Publication and Advertising of the Code

V. ADDITIONAL PROVISIONS

- Article 25 - Validity
- Article 26 - Relation to Other Rules

I. PURPOSE AND SCOPE OF APPLICATION

This Code sets out the commitments and ethical responsibilities in business management and business activities undertaken by employees of the Acerinox Group (hereinafter "Acerinox"), be they administrators, or employees of any kind, in these companies.

The principles and provisions of this Code of Conduct are addressed to the members of the Board of Directors, the Audit Committee and other supervisory bodies of Acerinox S.A. and other Group companies, in addition to managers, employees and collaborators related to the Group by contractual relations under any title, albeit occasional or temporal.

The Code of Conduct is valid both in Spain and abroad, always taking into account the cultural, social and economic differences of the various countries in which the Group operates. Where the provisions of the Code are more stringent than the laws and regulations of the country, these provisions will apply, and otherwise, when the laws and regulations of the country are more stringent they will apply.

This rule is not intended to cover all possible situations that may arise in the professional field, but to set some minimum standards of conduct which should guide all employees in the way they act during the course of their professional activity.

Without prejudice to whatever the outcome of collective bargaining or the regulatory activity of the public bodies may establish at any given point in time, the Code will govern the actions and working relationships of the employees and managers with customers and possible customers, with suppliers, with peers, competitors, administrative bodies and all other persons or institutions with whom the Company has contact.

II. PROTECTED INTERESTS

ARTICLE 1. - THE WORKERS

1. - The workers of Acerinox are its principal assets. Any person serving in the Group deserves decent treatment and equal opportunities, and can aspire to job promotion. The agreements governing the relations between Group companies and their workers will always encapsulate these principles and their manifestations.

2.- The Group promotes non-discrimination on grounds of age, disability, sex, origin, including racial or ethnic origin, marital status, social status, religion or beliefs, political ideas, sexual orientation or status, union affiliation, kinship, language or any other personal, physical or social condition of its professionals, as well as equal opportunities among them. The Group recognises its diversity and collaborates with enthusiasm in the agreement and elaboration of any rule which may encapsulate or protect it, or which may protect particularly sensitive groups, according to current legislation.

3.- Any manifestation, either professional or personal, involving harassment or the abuse of authority at work, and any other conduct which generates or produces an environment which is intimidating or offensive to the personal rights of the workers of Acerinox will be rejected.

4. - Acerinox respects the right of privacy of its professionals and to their private life, under the terms established by law, without interfering in the activities or behaviours observed outside the scope of work, provided that such actions do not harm the good name of the Group, its legitimate interests, the safety of their peers or the professional performance of the employee.

5.- The right to privacy applies in particular to - the list is not limitative - personal data, economic and communications data, and the company agrees not to disclose them, unless for authorisation purposes or out of legal, administrative or judicial obligation.

6. - Acerinox values the benefits which for the worker and the Company entail the existence of a balance between the professional and personal responsibilities of its employees, in accordance with the regulations in force in each country.

7. - Acerinox expresses its commitment to and involvement with human rights and public freedoms recognised in national and international law, and to the principles upon which the United Nations Global Compact is based. It also expresses its total rejection of child labour and forced labour.

8. - The procurement of labour services from higher level workers and managers shall take place generally under exclusive contract, however this exclusivity may be waived in special circumstances.

9. - The occasional waiver of exclusive dedication shall require a prior application at the request of the worker or manager, and the authorisation of the

Management of the Company, which may limit the dispensation to a specified period.

10. - The waiver to the CEO and members of senior management must be granted by the Appointments, Remuneration and Corporate Governance Committee, and that of the other executives of the Group by the CEO of Acerinox, S.A., with a report from the person managing the corresponding companies.

11. - Workers shall participate actively in the training plans that the Group makes available to them, and shall keep the knowledge and skills necessary to achieve maximum performance in carrying out their duties up to date.

12. - Persons holding managerial or administrative positions shall facilitate attendance to such courses, whenever they do not significantly hinder or hamper operations or the productivity of the corresponding unit.

13. - A training policy shall be promoted for the workers' personal and professional learning and development, in order to achieve the best possible performance when carrying out the assigned functions and the promotion of the individual.

ARTICLE 2.- HEALTH AND SAFETY IN THE WORKPLACE

1.- Acerinox develops its activities safely, complying with all applicable laws and regulations, and therefore considers the Prevention of Risks at Work Act a moral as well as a legal obligation.

2. - To this end it is promoting the creation of a culture of prevention, with special attention to the rules for safety and health at work, in order to minimise the risks arising from work, to therefore enhance continuous improvement in prevention activity, both with workers and with the contractors and suppliers with whom it works.

3. - Acerinox provides its employees with the resources and training necessary for them to perform their duties safely and in a healthy environment. Meanwhile, all employees have a duty to know and strictly meet the standards of health and safety at work, and to ensure their own safety and that of those people affected by their activities.

4. - The consumption of substances which could affect the proper enforcement of professional obligations is prohibited.

ARTICLE 3.- THE CLIENTS

1. - Acerinox undertakes to manufacture its products while meeting all the requirements and quality standards applicable to their production.
- 2.- The Group shall establish lasting business relationships with its clients based on the interests of both parties and on a permanent attitude of service, while maintaining the utmost commitment to honesty, professional responsibility and the satisfaction for work well done and a good service provided.
3. - Acerinox shall also promote a smooth relationship with its clients, facilitating support processes and minimising unnecessary procedures.
4. - Acerinox undertakes to comply with the confidentiality agreements which it signs with its clients.

ARTICLE 4.- THE SUPPLIERS

1. - Acerinox is committed to adapting the selection process for suppliers of goods or services to standards of objectivity and impartiality and will avoid any conflict of interest or favouritism in their selection.
2. - The internal regulations will promote and require concurrence in the selection of suppliers and the necessary controls will be established so that no person with relevant economic or emotional interest in a supplier, whether current or potential, shall be involved, either directly or indirectly, in any decision associated with that supplier.
3. - The information and prices quoted by suppliers in a selection process shall be treated as confidential and shall not be disclosed to third parties in the absence of the prior written consent of the providers and suppliers themselves, except in the case of legal, administrative or judicial authorisation or obligation, or when the publicity and transparency of the competitive process so requires.
4. - The individual contracts entered into by Group companies shall seek to include conditions that preclude the commercial relationship with any suppliers that do not in the regular course of business observe the personal and labour rights of their workers, according to universally accepted standards.

ARTICLE 5. - THE COMPETITORS

1. - Acerinox undertakes to respect the rules and principles of free competition, behaving fairly in the market and avoiding any conduct that constitutes or may constitute collusion, abuse or restriction thereof.
2. - It expressly disapproves of the use of advertising that could be misleading, as well as any unfounded discrediting of products of the competition or of the companies that produce them.

3.- The governance bodies of the companies of the Group shall be particularly vigilant in this area, ensuring that managers and workers who carry out commercial functions, both in the purchase and sale of goods and services, are aware of, respect and submit to, at all times, the rules preserving free competition and preventing market abuse.

ARTICLE 6. - THE SHAREHOLDERS

1. - The history of Acerinox and its Group is largely the result of the trust and loyalty of its shareholders, some of which have been shareholders since the founding of the parent company, and all of which have, to some extent, contributed to the development of its activities and to the enlargement and management of the company.

2. - The objective of Acerinox towards its shareholders is to create value for them, through their obtaining a satisfactory return on their investment.

3. - The Company shall observe the legal requirements and shall seek to follow the recommendations on good governance which are in force, and maintain smooth and transparent communication with its shareholders, facilitating for them, if they should so require, the exercise of their rights and making available to them all relevant information on an equal basis.

III. COMMITMENTS OF CONDUCT AND RESPONSIBLE PRACTICES

ARTICLE 7. - CONFLICT OF INTERESTS

1.- Employees of Acerinox must avoid any situation involving a conflict between their personal interests, be they economic or otherwise, and those of Acerinox, and they shall refrain from intervening or influencing decision-making in matters where there may be a conflict of interest, informing their hierarchical superior and the Internal Audit Service of the same.

2.- In particular, any worker of Acerinox who may have an interest, either directly or through a relationship, with suppliers, competitors, clients or subordinate staff, with whom they should have, or could reasonably have, a professional relationship, must inform the management of the respective Company and the Internal Audit Service.

3. - It is also guaranteed that the managers and workers of the companies of the Group shall have the right to refrain from acting in any of the situations described above if they have communicated their potentially conflictual situation.

4.- The Management of the respective Company may authorise the actions of the worker, despite the existence of a conflict of interests if, in his or her opinion, the conflict is minor and the company's interests are sufficiently guaranteed with the adoption of appropriate measures. The worker or manager may demand that this authorisation be recorded in writing. This authorisation shall be forwarded to the Internal Audit Service.

ARTICLE 8. - PRESENTS, GIFTS AND FAVOURS

1.- Acerinox prohibits bribes to officials and public employees and prohibits its employees from giving or receiving from third parties undue payments of any kind, or gifts, donations or favours that are outside market practice or which, for their value, characteristics or circumstances, may reasonably alter the development of commercial, administrative or professional relations with its companies.

2. - In particular, any form of gift from Spanish or foreign government officials, auditors, directors of Acerinox S.A. and its subsidiaries, or their relatives, which may influence independence of judgement or lead to any kind of favour is prohibited.

3. - It is also prohibited to make any contribution to political parties or organisations controlled by them, other than those cases provided for by law.

4. - This rule does not support exceptions, even in those countries where offering gifts of value to commercial partners is a custom.

ARTICLE 9. - PREVENTION OF CORRUPTION

1. - Payments made by any of the Group's companies must be made only by authorised personnel, and within the limits of such authorisation by registered certificates and bank transfers. Payments in cash or by means other than those expressly authorised are strictly prohibited, except for amounts below the limit indicated by the rules governing the making of payments in the Group.

2. - Under no circumstances may people in the Acerinox Group resort, either directly or indirectly through intermediaries, to unethical or morally dubious practices in order to influence the will of people external to the Company for the purposes of obtaining some type of benefit for the Group or for themselves. They must also remain vigilant in order to avoid other people resorting to such practices.

3. - Nobody who works for the Group must ever make promises or give gifts or compensation for the purposes of speeding up procedures with administrative, judicial or political bodies, or to ensure or influence the results of these procedures.

4. - The companies of the Group must remain politically neutral and their dealings with the authorities are to be founded solely on respect for the institutions that represent the authorities and the Law.

ARTICLE 10. - USE AND PROTECTION OF ACERINOX GROUP ASSETS

1. - The Group provides its employees with the resources necessary to carry out their professional activity.

2. - All employees must use company resources responsibly and appropriately in the environment of their professional activity. Likewise, they must protect and preserve these resources from any improper use from which damages to the interests of the company may be derived.

3. - Assets owned by the companies of the Group may not be affected by or used for private purposes, except when a specific rule allows them to be considered as partially affected or permits their personal use.

4. - Computer resources provided by the company must be used for professional purposes and within the company's premises, unless otherwise authorised. The Company may annex specific use conditions to employment contracts for such resources.

5. - Workers and managers of the Group must respect its intellectual property and not use its image, name or trademarks, except for when carrying out their professional activity. Operating manuals, computer programs and applications, studies, reports and any other type of documentation created, developed and used by its staff are restricted to internal use.

6. - The companies of the Group shall approve general and special rules for the use of such assets and rights.

7. - All information and knowledge generated in the the field of the respective Company is owned by Acerinox, and it may not be made use of without the knowledge and express authorisation of the Company.

8. - The information and knowledge gained in any of the companies of Acerinox may not be used, either personally or on behalf of another party, whether for profit or not for profit, to carry out activities or services which constitute the activity of any of the Acerinox companies, while maintaining a service relationship with them, or while the period for which this limitation is established in a given contract has not expired.

ARTICLE 11. - CONTRIBUTION TO THE WELFARE STATE

1.- The companies of the Acerinox Group and their governance bodies consider that contributions to the Public Treasury and to the different systems of prevention and social protection are an important foundation of the welfare state.

2. - Acerinox shall comply with its tax and Social Security obligations without resorting to artifices which are not based on reasonable industrial, commercial and financial operations, collaborating actively with public authorities when so required.

3. - It shall not constitute or maintain entities in territories classed as tax havens, with a view to improperly reducing taxable bases. When, for manufacturing or commercial reasons, its presence in one of these territories should be necessary, this shall be reported to the tax authorities of the parent company.

ARTICLE 12. - PRIVATE OR CONFIDENTIAL INFORMATION

1. - The Acerinox Group will respect and maintain the secrecy of the confidential information of its employees, customers and suppliers, in accordance with the applicable regulations and agreements concluded for this purpose.

2.- The directors, managers and employees of Acerinox shall respect and maintain the confidentiality of any non-public information of an industrial, financial, commercial or legal nature, as well as the personal data, know-how and business practices of the Group, its workers, suppliers and customers, taking all appropriate and effective precautions for this purpose, using confidential information exclusively for the Group's own purposes, and revealing it only to persons authorised to receive it, or under legal requirement.

3. - Any reasonable indication of a leak of restricted and confidential information or private use thereof shall be reported by those with knowledge thereof to a hierarchical superior, to the Internal Audit Service, or through mechanisms set up by the company for complaint procedures.

4. - This obligation of confidentiality of the directors, managers and employees of the Group shall continue to apply even after the termination of their relationship with the Group; therefore, in this case, all confidential and private information in their possession must be returned to the respective Group company, regardless of its medium.

ARTICLE 13. - INSIDER INFORMATION

The directors, managers and employees of the Group and third parties who, due to their work, have access to information that may affect the quoted market price of an Acerinox share or that of other Group companies, must observe the law and the regulations that Acerinox could adopt in order to complement and promote compliance with them.

ARTICLE 14. - PROTECTION OF THE ENVIRONMENT

1. - The activity of Acerinox, by its very nature, contributes to sustainable development and is doubly respectful of the environment, by generating an entirely recyclable product and using recycled material to manufacture it.

2. - Notwithstanding the above, the Group is committed to maintaining the utmost respect for the environment in the development of its activities, minimising the negative effects that, despite everything, could be caused, and shall provide the necessary measures and information to minimise or eliminate any impact on the natural environment, all within the framework of existing legislation and applying the best available techniques.

3. - The companies of the Group shall assume as a permanent objective to be in possession of the most reputable and demanding environmental certifications in each geographical area.

4. - The companies of the Group will respect the urban legislation applicable in each case, and other rules and land-use planning decisions.

5.- All workers of the Group are responsible for contributing to minimise the environmental impact of the activities of Acerinox and the consumption of resources such as water, energy, raw materials and consumables, and must comply with the rules, processes and controls of Acerinox in this matter. In particular, and according to their responsibilities, they must ensure that environmental information reported inside and outside the company is correct.

ARTICLE 15. - GENERAL RULES FOR PROCUREMENT AND SALES

1. - Procurement by the companies of the Group shall be done under conditions which ensure transparency, efficiency, prevent conflicts of interest and, where possible, promote competition.

2.- The Internal Audit Service, in accordance with the guidelines given by the Audit Committee of Acerinox, S.A., shall include in its work plans the tasks of overseeing the development of procurement and shall suggest appropriate improvements, where appropriate.

ARTICLE 16. - PREVENTION OF HARASSMENT IN THE WORKPLACE

Any behaviour, expression or intention which, directly or indirectly, has the effect of denigrating, either personally or professionally, any employee of the Group or any class thereof is expressly prohibited and rejected.

ARTICLE 17. - TRUTHFUL, ADEQUATE AND USEFUL INFORMATION

1. - Acerinox shall provide true, adequate, useful and consistent information on its policies and actions. The transparency of information is a basic principle that must govern the actions of the professionals at Acerinox.

2. - The economic-financial information of Acerinox - especially the Annual Accounts - must faithfully reflect its economic, financial and patrimonial reality, in accordance with generally accepted accounting principles and the international financial reporting standards that are applicable. For this purpose, no professional may conceal or distort the information of accounting records or reports, which shall be duly complete, accurate and truthful.

3. - A lack of honesty in the communication of information, both internally within the Group (to employees, internal departments and bodies, administrative bodies, etc.) and externally (to auditors, shareholders and investors, regulatory bodies, the media, etc.) shall be in breach of this Code of Conduct. Such dishonesty also includes submitting incorrect information, organising it incorrectly or attempting to mislead those who receive it.

4. - Products manufactured or marketed by the Acerinox Group must accurately reflect the features offered and be faithful to the standard specifications and weights and measurements indicated. The directors of the production units and the sales staff of the organisation shall be responsible for the reliability of these indications.

5. - Relations with investors and financial analysts shall be channelled through Financial Management and the Investor Relations and Communication Department. Relations with the media shall be channelled through the Head of Communications.

IV. DISSEMINATION, ACCEPTANCE, ENFORCEMENT, ASSESSMENT AND MONITORING OF THE CODE OF CONDUCT AND GOOD PRACTICES

ARTICLE 18. - DISSEMINATION, ACCEPTANCE AND ENFORCEMENT

1. - Acerinox shall communicate and disseminate to all its employees the content of this Code of Conduct, along with its rules, commitments and development procedures.

2. All employees must accept the principles and rules of conduct set out herein.

3. - This Code of Conduct is mandatory for the board members, managers and employees of Acerinox. Failure to comply with them shall be judged according to the regulations and applicable collective agreements. In labour relations subject to Spanish law, such failure to comply shall be considered gross disobedience, regardless of any other consequences that may ensue.

4. - Acerinox requires its professionals to respect and comply with the internal and external standards applicable to their professional activity. This is also required of those who, in their respective areas, have dealings with the company, its contractors, suppliers and those who collaborate with it or act on its behalf, and to its business partners.

5. - The people of Acerinox also have an obligation to honour and respect the processes and controls that the company approves in terms of ethics and compliance. They must also protect the climate of ethics and compliance at the company and regularly confirm, as required, that their conduct conforms to the Code of Conduct or to any of the regulations developing it.

6. - Any person who has knowledge of or suspects a breach of this Code is required to make it known to a hierarchical superior or to the Internal Audit Service, or to report it through the mechanisms set up by the company for complaint procedures.

7.- The hierarchical superiors who have been informed of breaches or violations of this standard must, in turn, give immediate notification, prior to any further action, to the Internal Audit Service, which shall inform the Monitoring Committee for the Code of Conduct.

8. - Nobody, regardless of their rank or position, is authorised to ask an employee to contravene the provisions of this Code. No employee may justify improper conduct by invoking a higher order or ignorance of this Code.

ARTICLE 19. - HELP AND INFORMATION

1. - In order to ensure the exercise of the rights and duties established in this Code, all managers and workers of the Group can send any doubts they may have arising from its interpretation and scope by e-mail to the Secretariat General of Acerinox S.A. which, after consultation, where appropriate, with the units, companies or bodies concerned, shall provide the appropriate reply.

2. - The outcome of this work of interpretation and the established criteria shall be reported regularly to the CEO of Acerinox, S.A.

ARTICLE 20. - MONITORING COMMITTEE FOR THE CODE OF CONDUCT

1. - In order to ensure compliance with this code, there is a Monitoring Committee, consisting of:

- The CEO of Acerinox S.A. or the person he determines.
- The General Secretary.
- The Head of the Internal Audit Service.

2.- This Committee can act on its own initiative or at the request of any employee or third party by petition.

The Monitoring Committee reports to the Board of Directors through the Audit Committee and the CEO, and has the following basic functions:

- To monitor the compliance with and internal dissemination of the Code among all employees.
- To interpret the Code of Conduct.
- To facilitate a Reporting Channel for the gathering of information on compliance with the Code of Contact.
- To control and monitor the processing of cases and their resolution.

4.- In exercising its functions, the Committee ensures:

- Confidentiality of the data of the complainant, and the information and background, unless the disclosure of information is required by law or judicial order.
- The absence of reprisals against employees who report suspected breaches in good faith.
- Respect for the rights of persons suspected of involvement in a possible breach.
- The comprehensive analysis of the information on which the promotion of its action is based.

ARTICLE 21. - COMPLAINT CHANNELS

Acerinox has established the following as procedures for complaint:

- A complaint channel on its Corporate Website, which allows the reporting of irregular conduct related to accounting, control, auditing or any non-compliance with or breach of the types of conduct contained in this document.
- An e-mail address (comitededenuncias@acerinox.com).
- A postal address (Comité de Denuncias, Acerinox S.A., Santiago de Compostela 100, 28035 Madrid, Spain).

ARTICLE 22. - ACTION AND INVESTIGATION

The actions and investigations which are carried out as a consequence of a complaint shall be carried out independently, speedily and confidentially, guaranteeing the rights of the complainant and the persons under investigation, in accordance with the Protocol of Complaints and Internal Investigations.

ARTICLE 23. - DISCIPLINARY SYSTEM

Breaches of the Code of Conduct and Good Practices of Acerinox can lead to labour sanctions, without prejudice to the possible administrative or criminal proceedings which may also ensue. All in accordance with current legislation in the area in which the breach occurs.

ARTICLE 24. - PUBLICATION AND ADVERTISING OF THE CODE

The Code will be approved by the Board of Directors of Acerinox, S.A. and published and disseminated among all employees, it will always be available and will remain posted on the website of Acerinox (www.acerinox.com).

The Code will be the subject of appropriate training actions for its timely understanding and implementation throughout the organisation.

V. ADDITIONAL PROVISIONS

ARTICLE 25. - VALIDITY

1. - This Code anticipates its development through policies, standards, processes and controls complying with the obligations of control and supervision attributed to the Audit Committee of the Board of Directors.

2. - The Code of Conduct and Good Practices was approved in 2009 and revised in 2011. This revision of the Code, which has taken into account the best practices in terms of ethics and compliance, was approved by the Board of Directors of the Company at its meeting on 25th October 2016.

3. - The revision of this Code shall be performed as often as necessary to ensure its effectiveness and that its content conforms to the most relevant ethical and compliance behaviours for the company at all times.

ARTICLE 26. - RELATION TO OTHER RULES

1. - The codes and manuals of conduct in force at certain companies remain valid and shall produce their effects as long as they do not contradict or limit the provisions of this Code.

2. - Ethics Committees and other committees with similar names which have been set up in some companies in compliance with local laws shall remain in force, but will report on a quarterly basis to the Monitoring Committee provided for in this Code.

3. - Any complaints that may reach these committees shall immediately be forwarded to the Monitoring Committee for this Code.