

The Aragonese administration authorizes Ercros to expand its chlorine production in Sabiñánigo

The Aragonese Institute for Environmental Management of the Government of Aragon has approved a new Integrated Environmental Authorization ("AAI" Autorización Ambiental Integrada) for the Ercros' factory in Sabiñánigo, which was requested for the expansion of its chlorine production capacity with membrane technology from 15,000 t/year to 45,000 t/year. This action will involve an investment of 12 million euros.

The AAI is an essential requirement for the commissioning of this expansion, which is expected to be completed by the end of this year.

The expansion of the Sabiñánigo chlorine plant is one of the main actions envisaged in the first phase of the strategic plan of investments of Ercros ("Plan Act"), which covers the period 2016-2017. In the second phase of the plan, which includes the period 2018-2020, another significant actions are included in this factory, such as the expansion of the plant that produces tablets for the treatment of pool water from 7,000 t/year to 28,000 t/year. Between both actions, Ercros will invest 27 million euros in Sabiñánigo.

With the new capacity for chlorine production in Sabiñánigo, Ercros expects to offset part of the fall in chlorine production that will occur from December 11, 2017, when by legal imperative the Company has to close the chlorine production plants that operate with mercury technology, in Flix and Vila-seca I, both in Tarragona. In contrast to these two plants, the Sabiñánigo factory plant has been adapted since 2009 to membrane technology, which is accepted by European and Spanish legislation as the Best Available Technology ("BAT") and, therefore, is not affected by the closure obligation.

The other chlorine production plant of the Vila-seca I factory, whose capacity is also being expanded to 120,000 t y, is also adapted to BAT technology. Since January 2017, the Vila-seca I factory has the corresponding AAI granted by the Generalitat de Catalunya.

Ercros is making all its effort to comply with the objective of ceasing the production of chlorine with mercury technology within the established legal deadline while the expansion of the capacity of the two plants operating with membrane technology starts operating.

Barcelona, May 17, 2017