

General Meetings attendance premium policy

The Board of Directors of Ercros, at its meeting held on 29 September 2016, has approved unanimously to implement a stable policy of paying an attendance premium to those shareholders attending the General Shareholders' Meetings to be held by the company, whether ordinary or extraordinary, for the next three years.

When approving this policy, the Board has taken into consideration: (a) the desire to encourage the participation of the shareholders in the General Meetings reducing shareholders' absenteeism, in order to maximize the representativeness of these General Meetings; and (b) the willingness of the Board of Directors to comply with the 11th recommendation of the Corporate Governance Code approved by the Spanish CNMV (Stock Market National Commission) on February 18, 2015, as a measure to promote transparency and information to shareholders.

The premium for attending the General Meetings of Ercros will consist of an amount in cash, which in no case shall exceed two percent of share's face value to limit the impact in the company's financial position. Its amount will be determined by the Board of Directors when convening each Shareholders Meeting and shall be stated in the call notice of the meeting. In any case, in determining the amount of the premium, the Board will take into consideration the rules of the Capital Companies Act to protect the integrity of Ercros' capital, so that the premium to be paid will be aligned with these requirements.

All shareholders who meet the following three conditions shall be entitled to receive an attendance premium: (a) are entitled to attend the Shareholders' Meeting; (b) own on standalone basis or together with other shareholders more than ten shares of the company; and (c) are duly present or represented at the Shareholders' Meeting. Exceptionally, the Board of Directors, or any person authorized, may decide to pay the attendance premium to shareholders who, through no fault of their own, could not have been included in the attendance list of the Meeting.

The general principle of paying an attendance premium may be suspended when, at the discretion of the Board is justified by the company's interest or under exceptional circumstances. In this case, the Board of Directors will justify its decision at the affected Shareholders' Meeting.

Amendments or cancellation of this attendance premium policy shall require the agreement of the Board of Directors and its decision, upon justification, will be communicated at the first General Meeting to be held.

Antonio Zabalza Martí
President and CEO of Ercros

Barcelona, September 29, 2016