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(Free translation from the original in Spanish, in the event of discrepancy Spanish-language version prevails)

**C.N.M.V. [Spanish Stock Exchange
Commission]
(Att: Director of Secondary Markets)
Edison, 4.
28006 Madrid.**

Tajonar, 30 July 2019

Relevant Information

Remuneration systems

Dear Sirs,

The Viscofan, S.A. Board of Directors in a meeting held today, on 30 July 2019, at the request of the Appointments and Remunerations Committee, approved a Long-Term Incentive Plan for 2019-2021 intended for the Company's executive directors, managers and other key staff from the Viscofan Group which, subject to compliance with its objectives, will result in a cash payment and a payment in Company shares. In accordance with the provisions of article 219 of the consolidated text of the Corporate Enterprises Act approved by Royal Legislative Decree 1/2010, of 2 July, and in articles 29.2 of the Bylaws and 32, b) of the Regulations of the Viscofan Board of Directors, the Plan will be submitted, with respect to the Company's executive directors, to be approved by the next General Shareholders' Meeting, under the terms provided for in current legislation and in the current Director Remuneration Policy.

The basic features of the Plan are set forth in the document attached to this communication.

Yours faithfully,

José Antonio Canales García
CEO
Viscofan Group

Appendix. Viscofan Long-Term Incentive Plan for 2019-2021 for executive directors, managers, and key staff linked to the performance of Viscofan S.A. and subsidiaries for the period 2019-2021.

Objective and description of the Plan

The Plan has been put in place to reinforce the commitment of the key management team and the alignment with the creation of value for shareholders in the period comprising 1 January 2019 to 31 December 2021.

The Plan consists of an extraordinary, multi-year and mixed incentive, payable in cash and in Company shares, in the percentages assigned depending on the professional level which may arise after the application of certain factors, based on the degree of attainment of certain targets, (i) the payment of a cash amount or bonus and, (ii) on the basis of an initial number of assigned shares ("theoretical shares"), upon the effective payment of Viscofan S.A. shares on the planned payment date.

Beneficiaries

The Plan is intended for people who, due to their level of responsibility or their position within the Viscofan Group, decisively contribute to the attainment of the Company's targets. Specifically, the beneficiaries are:

- (i) The Company's executive directors: the Company's Executive Chairman and the General Manager Director of the Company,
- (ii) senior executives of the Company and the Viscofan Group,
- (iii) managers and key staff of the Company and the Viscofan Group.

It has been estimated that the Bonus will have around 140 beneficiaries, notwithstanding the possibility that new beneficiaries may be included in the authorised limits during the measurement period as a result of new hires or changes to professional levels with the maximum limit authorised both in cash and shares.

Measurement Period.

The Plan has a Measurement Period of three years, from 1 January 2019 to 31 December 2021.

The Plan will be paid in the first half of 2022, during the month after which the General Shareholders' Meeting approves the 2021 annual accounts (payment date). Beneficiaries that voluntarily steps down before payment date will lose all rights derived from it.

Limits and origin of the shares

The Plan has the following limits:

- With regard to the part to be paid in cash, the Plan anticipates a maximum cost or payment of 11.5 million euros for the 100% attainment of the Target, and 13 million euros if the Target is exceeded.
- With regard to the part to be paid in shares, the Plan anticipates a maximum of 175,000 shares for the beneficiaries if the Target is reached and 230,000 shares if the Target is exceeded.

The Board of Directors will submit for the approval by the AGM the amount and limit on the number of shares for the executives directors as follows:

- For the executive chairman a maximum of 374,850€ and 17,853 shares if the target is reached (449,820€ and 21,424 shares if the Target is exceeded)
- For the General Manager Director a maximum of 288,540€ and 13,472 shares if the target is reached (346,248€ and 16,491 shares if the Target is exceeded).

All of the shares to be paid from the Plan will come from the Company's treasury stock. No minimum value of the assigned shares is guaranteed.

Parameters and magnitudes of the Plan.

The attainment of the Plan is linked to the achievements of the following parameters in the period:

1. Total Shareholder Return (weight ratio = 0.8)

The main parameter in this plan is the Total Shareholder Return (TSR) that measures the return on shareholders' investment as the sum of the variation in the price of the share plus the dividends and other similar concepts received during the term of the Plan.

Initial reference is taken from the average share's stock price in December 2018 (48.99 euros per share). To calculate the performance of the TSR at the end of the period the share price average will be considered in the last month of 2021. According to these reference value, the minimum level to start the accountability of the plan is established in 4.0% of Constant Annual Growth Rate in the period, up to 120% over the weight ratio if TSR increase 11.0% during the period ("Maximum TSR Exceeded Target")¹.

2. Accident rate reduction (weight ratio = 0.1)

To increase the awareness, tracking and alignment of top management with occupational health and safety it is established as a non-financial target for the long term the reduction in the accident rate, understood as a reduction in the ratio of hours lost due to work accidents with a reduction on the total theoretical work hours during the Measurement Period. Viscofan's starting point is at the start of the Measurement Period at 0.38%. As a minimum level of compliance, 30% over the weight ratio for an average index reduction of 3 percentage points during the Measurement Period ("Minimum compliance accident rate") up to 100% if the average index reduction of 7 percentage points during the Measurement Period ("Target compliance accident rate").

3. Environmental sustainability (weight ratio = 0.1)

With the aim of promoting the development of the circular economy and reducing the environmental impact of productive activity, it has been proposed to use the indicator that relates to the ratio of tonnes of waste

¹ In accordance with the current Director Remuneration Policy, which provides for the possibility that the annual variable remuneration recognises possible exceeded targets of up to 120% of the Annual Target Incentive.

managed in the landfill for every million meters extruded. Starting from 1.27 it is established as a minimum level of compliance a ratio reduction of 4 percentage points during the Measurement Period with a 30% over the weight ratio up to 100% for a ratio reduction of 10 percentage points during the Measurement Period.

Measurement of the performance and modifications of the Bonus:

As a condition for the payment of the Plan, following a report from the Appointments and Remuneration Committee, the Viscofan Board of Directors has to ratify the degree of compliance with the parameters and magnitudes thereof.

The provisions of the current director remuneration policy will apply to the ex-post control of variable remuneration ("Clawback"). Likewise, in accordance with the director Remuneration Policy, the executive directors who are beneficiaries of the Bonus may not transfer the shares that are paid for a period of three years, unless they directly or indirectly hold a number of shares equivalent to twice their fixed annual remuneration.

Implementation of the Plan

Without prejudice and with regard to the competence of the General Shareholders' Meeting in the case of executive directors, the Board of Directors shall proceed with the implementation and development of the other terms and conditions of the Plan for its full effects.