




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

*Encouragement policy for participation in the General Shareholders Meeting: attendance premium*

## INDEX

1. Introduction
2. Field of application
3. Principles
4. Contents
5. Approval and validity

	<p><b><i>Encouragement policy for participation in the General Shareholders Meeting: attendance premium</i></b></p>	<p>Date: 21.01.2016 Edition No.: 1.0 Page 3 of 5</p>
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## **1. Introduction**

The General Shareholders Meeting is the supreme body of the Company and constitutes the sphere in which the Company shareholders make decisions about issues within their competency.

The General Shareholders Meeting constitutes one of the most important moments of corporate life and in forming corporate will.

This is why the Company should encourage the exercise of rights to attend and participate in the General Shareholders Meeting as well as equal conditions, in accordance with good corporate governance principles.

In this respect, Viscofan has applied measures to these effects, including the payment of an attendance premium for participation in all General Shareholders Meetings with a double ordinary and extraordinary nature that have been held annually since 2004.

The Viscofan, S.A. Administrative Board considers it important to consolidate these measures to shed more certainty and transparency on the Company's policy, to encourage shareholders to participate in the General Shareholders Meetings held within the Company, going further than the compulsory guidelines included in the applicable regulations and in the internal regulations developed by the Company itself, in particular the General Shareholders Meetings Regulation approved by the shareholders following the proposal of the Administrative Board.


## **2. Field of application**

This Policy is applied by the Viscofan, S.A. Administrative Board, as the body to which the regulations grant the duty to call the company General Shareholders Meeting, and shall be applied to all Company shareholders in all the General Shareholders Meetings that are held from the moment it is approved.

## **3. Principles**

This Policy is governed by the following principles:

### ***Equality***

	<p><b><i>Encouragement policy for participation in the General Shareholders Meeting: attendance premium</i></b></p>	<p>Date: 21.01.2016 Edition No.: 1.0 Page 4 of 5</p>
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All the shareholders may indiscriminately exercise their attendance and participation rights in accordance with the objective criteria, and therefore the application of this policy shall benefit all shareholders that comply with its requisites.

### ***Transparency***

The Administrative Board shall ensure that the policy in force at all times, encouraging participation in General Shareholders Meetings, is permanently available to shareholders, and in any case upon calling any General Shareholder Meeting.

Moreover, at the time of calling each General Shareholders Meeting it shall publish the specific measures it has adopted in accordance with this policy.

### ***Legality***

This policy shall adhere to the applicable regulations as well as the internal regulations that are in force at all times within the Company to regulate the development of the General Shareholders Meeting, and any other internal regulation approved by the Board that pursues, among other objectives, the encouragement of shareholder participation in the General Shareholders Meeting, such as the “Development rules for exercising the rights of representation and distance voting”.

#### **4. Contents**

The Company Administrative Board shall undertake its functions whilst considering, amongst other concepts, the generation of value for all the Company's interest groups, including its shareholders.

The Administrative Board shall seek retribution for shareholders which enables the generation of long-term sustainable value.

This retribution shall consist, among others, of the distribution of dividends, which the shareholders may receive on the income statement of a financial year before its countable closure, in compliance with the regulations in force at all times, or following approval from the annual financial statements by the General Shareholders Meeting, or even partially at both times.

When the financial results enable the Company Board to distribute dividends among the shareholders as part of their retribution, the Board shall be bound to include the payment of an attendance premium in the notification of the Ordinary General Meeting, with the aim of encouraging shareholder participation in the General Shareholders Meeting.

This attendance premium shall consist in an amount per share, an amount which should be low enough to retain its nature without substituting the dividend, and receivable by the shareholders present in the General Shareholders Meeting and by the shareholders that have exercised their right to distance vote using any of the means authorised by the Company in accordance with the regulations applicable at all times.

When calling the General Shareholders Meeting, the Administrative Board shall include the attendance premium payment conditions as well as the amount involved.

#### **5. Approval and validity**

This document was approved by the Administrative Board and Viscofan S.A. in the meeting held on 21st January 2016, entering into force upon approval.