

## 22. Share capital and premium

### 2014 Programme

On 20 June 2014, the General Meeting approved the introduction of a new, three-year Stock Option Programme. According to this Programme, the Company's Board of Directors can grant option up to 1,000,000 ordinary shares of the Company at a sale price equal to €10.00 per share. Beneficiaries of the Stock Option Plan are the executive members of the Board of Directors of the Company, the managers and the employees who have the same rank in affiliated companies inside and outside Greece and finally a limited number of the other employees who stand out on a continuous basis for their good performance and have a high potential for advancement.

The vesting period of the stock options that were granted in 2014, 2015 and those that will be granted in 2016 shall be three years. Therefore, the relevant option rights shall become mature in December of 2016, 2017 and 2018 respectively, provided that the beneficiaries are still employees of the Group. After the completion of the three-year vesting period, the final option rights number, which the beneficiaries will be entitled to exercise, shall be determined by the Board of Directors, within the first four months of 2017, 2018 and 2019 respectively and shall depend:

- a) By 50% on the average three year Return on Average Capital Employed (ROACE) compared to the target of each year period, as this will be determined by the Board of Directors before granting the relevant option rights.
- b) By 50% on the overall performance of the Company's common share compared to the average overall performance of the shares of the ten predefined international cement producing companies.

The Beneficiaries shall be entitled to exercise their stock option rights, either in whole or in part, within the first five days of each month, paying the Company the relevant amounts until the expiration date of their stock options, i.e. until December of the third year after these stock options have been vested.

The options granted under the 2014 Programme have been accounted for in terms of the requirements of IFRS 2 "Share based payments".

The number of Share Options that were granted during 2014, 2015 and 2016 was 250,190, 313,080 and 303,150 respectively.

The fair value of the options granted in 2014 was €7.39 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €25.32, the employee forfeiture rate 9.2%, the volatility of the share price estimated at 47.2%, the dividend yield of 0.376% and the yield of the 3 year EU Benchmark (Deutsche Bund) Government bond yield rate of 0.083%.

The fair value of the options granted in 2015 was €4.14 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €19.55, the employee forfeiture rate 9.2%, the volatility of the share price estimated at 40.61%, the dividend yield of 0.59% and the yield of the 1 year EURIBOR rate of 0.166%.

The fair value of the options granted in 2016 was €5.17 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €20.38, the employee forfeiture rate 9.2%, the volatility of the share price estimated at 42.80%, the dividend yield of 0.87% and the yield of the 1 year EURIBOR rate of -0.15%.

On 31 December 2016 the number of the cancelled share options that were granted during 2014, 2015 was 4,300 and 2,100 respectively.