



OWN YOUR FUTURE

with the Employee Stock
Purchase Program.

Buy CMC shares at a 15% discount. Save for the future and become an owner of the company. Enroll to purchase company stock January 6 – 24, 2020.

Look inside for details.



CMC

Commercial Metals

The Employee Stock Purchase Plan (ESPP)

The ESPP is a company-sponsored opportunity for eligible employees to purchase company shares of stock at a 15% discount. When you purchase stock in CMC, you are saving for the future AND gaining ownership in the company. Take advantage of this unique CMC benefit this January!

Who is Eligible

You are eligible to participate in the ESPP if you:

- Are a full-time or part-time CMC employee, and
- Were hired on or before September 1, 2019.

STOCK PURCHASE PRICE

The stock purchase price is \$18.80. This is 85% of the average closing price of CMC Common Stock on the New York Stock Exchange for each of the ten trading dates immediately prior to January 1, 2020 which is \$22.12.

The Nuts and Bolts of the ESPP

You can enroll to purchase stock January 6 – 24, 2020. You pay for your shares through payroll deductions, and can purchase up to 500 shares in 10-unit increments. Your payroll deductions start with your February 13, 2020 paycheck. Pay dates may vary slightly depending on payroll processes.

How It Works

Your cost per share is \$18.80. This is 85% of the average closing price of CMC Common Stock on the New York Stock Exchange for each of the ten trading days immediately prior to January 1, 2020, which is \$22.12. If 85% of the fair market price of the shares on the date the shares are issued in your name is less than \$18.80, you will be refunded the difference times the number of shares you purchased. So, you are guaranteed a 15% discount.

Example: Jason elects to purchase 100 shares, and 85% of the average stock price for the last 10 trading days of 2019 was \$18.80.

Jason Pays: \$1,880.00 ($100 \times \$18.80 = \$1,880.00$). Jason is paid bi-weekly, so his payroll deductions would be about \$81.74.

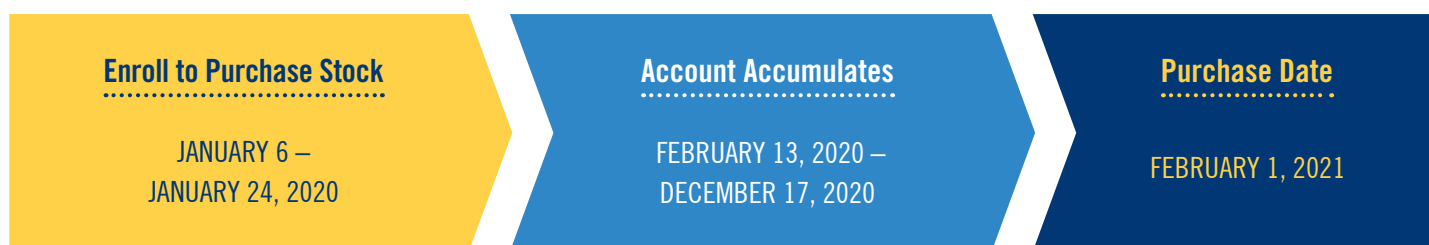
Note: If Jason was paid weekly, his deduction would be about \$41.78 per week.

Because he purchases stock through the ESPP, he pays 85% of the average stock price and receives a discount of \$332.00 ($100 \times (\$22.12 - \$18.80) = \332.00).

What Happens When You Enroll to Purchase Stock

You enroll to purchase stock January 6 – 24, 2020. You contribute to the ESPP through payroll deductions from February 13, 2020 through December 17, 2020. On February 1, 2021 you purchase stock and own it. You can sell your shares at any time.

Timeline



If you enroll to purchase stock and later change your mind, you can withdraw your enrollment any time up until December 17, 2020 at <http://eac.schwab.com>.

Your payroll deductions during 2020 accumulate in an account to purchase shares. If you are still a CMC employee on the purchase date, and have paid the full amount of your portion of the total cost of your shares, shares will be purchased for you on February 1, 2021 and placed in your Schwab account by February 5, 2021. You can sell your shares at any time. You can do same-day trading online using your Schwab account.

The Value of the ESPP

When you purchase CMC stock at a 15% discount, your stock can increase in value over time based on stock performance.

Example (these numbers are illustrative and may not reflect the actual share price): On February 1, 2021, the CMC share price is \$20. Jason purchases 400 shares on February 1, 2021 at a discounted price of \$17.00 for a total cost of \$6,800. A year later, the share price increases 5% to \$21.00 per share. Also, he receives four dividend checks during the year at \$0.12 per share each quarter, adding an additional \$192 in value. Therefore, on February 1, 2022 the total value of his shares (including dividends) is now \$8,592. Based on the discounted price he paid, this represents a 26% return over the course of one year!

Purchase Price on February 1, 2021	Share Price on February 1, 2022	Four Dividend Checks from February 1, 2021 to January 31, 2022	Total Value of Shares on February 1, 2022	Return Over One Year
\$17.00 (\$20.00 – 15% discount) x 400 = \$6,800	\$21.00 x 400 = \$8,400	\$0.12 x 400 x 4 = \$192	\$8,400 + \$192 = \$8,592	26% Increase from \$6,800 to \$8,592

Keep in mind that CMC pays quarterly dividends on stock, which generally average to be 2-3% per year. This means that if you enroll to purchase stock this January, beginning February 1, 2021, for each quarter that CMC pays a dividend, you will receive a payment for the dividend amount for the stock you hold. CMC has consistently paid a dividend for 20 years!



Enroll by January 24!

Tax Matters

You don't pay taxes on your shares until you decide to sell them. At the time the shares are issued (transferred to your name), you will not have to report any income. The amount of taxes you pay is determined when you actually sell the shares. How your shares are taxed at time of sale depends on how long you hold the shares. For example, if you sell your shares within two years of the offer period (before February 1, 2022 for stock that's purchased on February 1, 2021), the 15% discount is taxable and will be reported on your W-2.

Talk to your tax advisor if you have questions about reporting income due to the sale of stock on your federal income taxes. CMC does not offer tax advice to its employees. However, you can get free tax advice from our Employee Assistance Program. Call 1-866-695-6327 to schedule a meeting with a financial planner.

PLEASE NOTE:

Commercial Metals
cannot give tax advice
to employees. Seek tax
advice based on your
specific situation from
your tax advisor.

If You Have Questions

See the **Frequently Asked Questions** on the ESPP page of myCMCBenefits.com/espp. Use your CMC network ID and password to log on. Or, from the GlobalNet home page, click Benefits. For password resets, contact the IT Helpdesk at 888-823-1212. You can also contact CMC Employee Services at employeeservices@cmc.com or 1-877-262-8050 with questions.

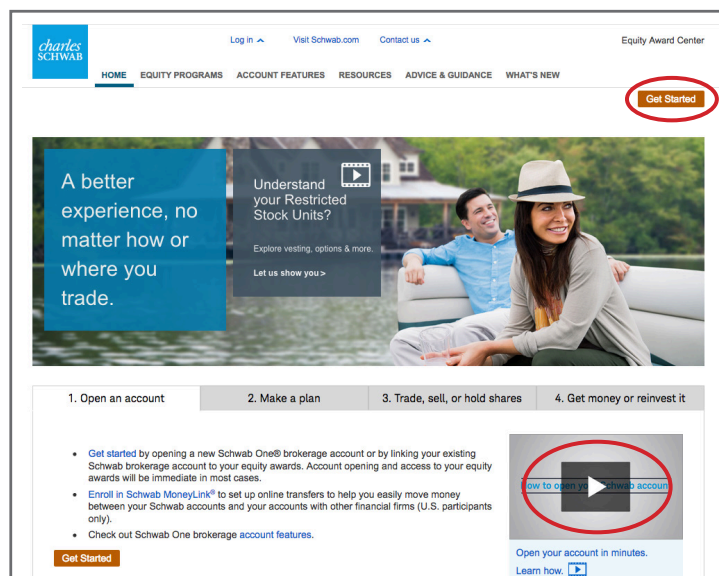
How to Enroll

Schwab is Our Administrator; If You Don't Have an Existing Schwab Account

You'll need to open a Schwab account before you enroll.

1. Go to <http://eac.schwab.com> and click **Get Started**.
2. You'll be prompted through the account creation process, which includes entering your CMC Employee ID (without a leading "P" or zeros).

If you need help opening an account, watch the video tutorial that's posted on the EAC page or call Schwab. Once your account has been created, you follow the same steps listed below for employees who already have an account.



Click **Get Started** to open an account, or watch the **video tutorial** for help.

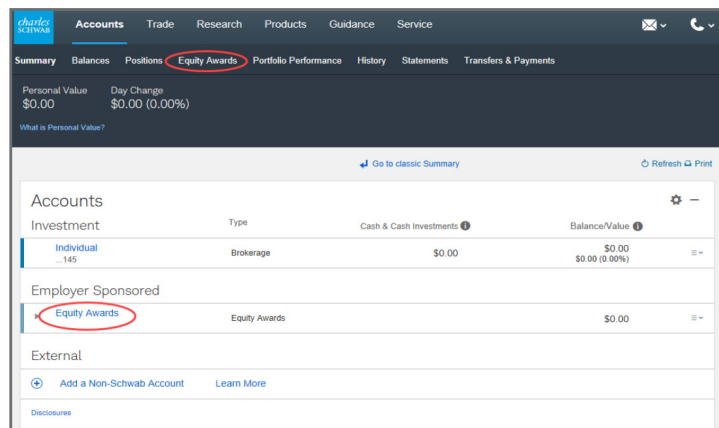
If You Already Have a Schwab Account

1. Go to <http://eac.schwab.com> and log in.
2. Select **Equity Awards** from the menu at the top or under the Employer Sponsored section.

Then, select **Enroll** from your notifications. You'll be prompted through the enrollment process.

If You Need Help Enrolling

If you need help enrolling, contact Schwab at 800-654-2593, Monday – Friday, 24 hours a day.



Select **Equity Awards** from the menu at the top or under **Employer Sponsored**.

Still have questions? See the **Frequently Asked Questions** on the ESPP page of myCMCBenefits.com/espp.

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For password resets, contact the IT Helpdesk at 888-823-1212.