



ENVIRONMENTAL POLICY

(Text approved by resolution of the Board of
Directors of 17 December 2020)

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

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ENVIRONMENTAL POLICY

1. PURPOSE AND SCOPE OF APPLICATION

1.1. Purpose.

A healthy environment is a central element of the concept of sustainability and key to meeting many of the Sustainable Development Goals (SDGs) set by the United Nations to transform the economy with better solutions to pollution, climate change and biodiversity.

For this reason, the activity of VISCOFAN, S.A. ("Viscofan" or the "Company") and of the group of companies whose parent company, within the meaning of the law, is the Company (Viscofan Group), must be carried out with respect for the environment, which means incorporating sustainable development criteria in all areas of activity, guaranteeing efficient management of natural resources and minimising the undesirable effects of the activity.

Within the framework of the General Sustainability Policy, the Board of Directors hereby approves this Environmental Policy (the "Policy") which aims to establish the commitment of the Company and the Viscofan Group to environmental preservation through the recognition of a series of principles and commitments that guarantee the implementation and maintenance of adequate and effective environmental management systems within the framework of the law, the SDGs and the expectations of the stakeholders in this area.

1.2. Scope of application

This Policy shall apply to the Company and its Group, and shall be mandatory for all its personnel, regardless of their position and function.

The Company will foster the application of the principles and bases of the Policy with any natural and/or legal person linked to Viscofan by a relationship other than an employment relationship where it is possible and appropriate for them to follow principles and guidelines consistent with those set out in this Policy and other sustainable development policies.

2. PRINCIPLES AND BASIC COMMITMENTS

The basic principles and commitments that define the Company's strategy on the environment are as follows:

- a) To fully integrate the environmental dimension into the Group's strategy by regularly developing concrete strategic plans that identify strategic priorities and key environmental issues.

- b) To mitigate the environmental impact at all stages of decision-making processes, incorporating the environmental dimension and the concept of the circular economy into investment decision-making processes and in the planning and execution of activities and promoting their inclusion in cost-benefit analyses.
- c) To identify and continuously evaluate the environmental aspects and impacts of production facilities, as well as constantly improve and update the mechanisms designed to mitigate or eradicate them.
- d) To establish environmental targets and, in this sense, have indicators and reporting systems in place in order to be able to use this information effectively in the Group's business decision-making process.
- e) To promote research and development and innovation within the framework of the environmental objectives set.
- f) To comply with and observe applicable environmental legislation, as well as other obligations voluntarily adopted, including the implementation of certified environmental management systems and the development of internal and external audits.
- g) To broaden the management and improvement of environmental performance to the value chain by promoting collaboration with suppliers so that respect for the environment is a principle that informs the Group's entire value production chain.
- h) To inform and train employees on the effects of the Group's processes and products in order to minimise the negative effects of its activities on their health and on the environment.
- i) To report transparently on environmental results and actions, establishing a constructive dialogue with public administrations, official bodies, shareholders, customers, local communities and other stakeholders and taking into account their expectations and the environmental challenges faced by society to guide these strategies to meet these challenges.

3. IMPLEMENTATION AND COMPLIANCE

3.1. Implementation

The development and implementation of the Policy's basic principles and commitments will be carried out on the basis of specific policies and strategies and action plans defined for each area of action, specifically:

- a) The fight against climate change, oriented towards energy and production solutions with a lower carbon level and which are included in the Anti-Climate Change Policy.
- b) The sustainable use and management of water, integrating water management as a key issue within the business strategy through, among other actions, measuring the water footprint and establishing objectives for its reduction, improving the quality of wastewater discharges and reducing the use of hazardous materials and chemicals in the company's operations in order to minimise the environmental impact.
- c) Waste management aimed at reducing waste in landfills and attaining operational excellence and efficiency.

- d) Respect for biodiversity, helping to prevent or reduce the loss of biodiversity by means of scientific knowledge on the different aspects of biodiversity that are affected by the Group's activities.

3.2. Transparency

The Company will prepare and publish relevant information on environmental issues annually in the management report or in a specific document on this subject.

In addition, the Company's corporate website will be a fundamental instrument for communication with different stakeholders, which can be supplemented by direct relations by the personnel designated for this purpose, and in particular through the media, and relations with shareholders where appropriate.

3.3. Monitoring and oversight

Monitoring of the Policy is the responsibility of the Board of Directors, which will exercise it through the oversight by the Appointments, Remuneration and Sustainability Committee of the development and implementation of sustainability policies and strategies and by the Audit Committee in terms of the integrity of the non-financial information included in the management report, as well as in the supervision of non-financial risks arising from the Group's actions in relation to the Policy.

The Group also has a Sustainability Committee whose tasks include promoting plans and programmes for improving environmental management in the implementation of the Policy.

4. APPROVAL AND VALIDITY

This Policy, following a report of the Appointments, Remuneration and Sustainability Committee, was approved by the Viscofan Board of Directors at its meeting on 17 December 2020 and came into force upon its approval.
