

## **Miquel y Costas**

### **PURPOSE**

#### **A company for a new society**

“TO APPLY TO CELLULOSE THE NECESSARY KNOWLEDGE,  
TO PROVIDE SOCIETY WITH PRODUCTS THAT IMPROVE  
THE ENVIRONMENT AND CONTRIBUTE TO THE  
SUSTAINABILITY OF THE PLANET”

*This document constitutes the body of principles that govern the activity of Miquel y Costas, a corporate group that manufactures special papers and cellulose-derived materials. To meet its goals, Miquel y Costas develops innovative production, distribution and management technologies that ensure the quality of its processes as well as the quality of the resulting products, which represent a systematic commitment to the sustainability and preservation of the environmental chain. Miquel y Costas defines itself as a solvent industrial project, sustained by its renowned financial and technological strength, which assures its continuity*



*and independence, and its corporate values include those of a social and individual nature. This document describes a company that looks towards the future and whose ultimate goal is to provide society with a service, the results of which arise from the excellence and competitiveness of its products and from a business philosophy aimed at healthy and sustained progress over time.*

## **PURPOSE, KNOW-HOW AND PROJECT**

1. With a history dating back to the early 18th century, Miquel y Costas is now a corporate group ambitiously taking on the challenges of the 21st century. To do this, the Group promotes a business plan in the industrial field, with a commitment to society, its customers and stakeholders. The history, prestige and future of the Miquel y Costas brand is a great corporate asset that propels us towards a creative future.
2. Miquel y Costas is now a diversified group that manufactures and distributes special papers and other highly complex cellulose-based materials of great added value, which are the basis of its credibility, standing and



competitiveness. All of its companies operate according to environmental management and sustainability standards.

3. Its commitment to the future is based on the innovative features of its products and manufacturing processes, as well as on the strength of its corporate values. The Group's credibility is based on its track record as an industrial enterprise whose main focus is knowledge, always backed by perseverance.
4. The quality of the products manufactured is the result of creative and efficient management that prioritizes the customer's needs and anticipates market changes. The investment in R+D+I throughout the Group's entire production and distribution chain is recognized by the market and the highly qualified demand attracted by the quality and value of its products.
5. With advanced industrial equipment and efficient and sustainable production processes, Miquel y Costas develops high quality cellulose-based products. The Group aims to invest 3% of its sales in research and innovation, and is willing to increase this percentage.



6. The commitment to knowledge, which has been the key to its trajectory, allows it to reconcile cost competitiveness with product excellence. Product knowledge adds value, while process knowledge enables cost efficiency.
7. Investment in manufacturing, management and distribution technologies allows the Group to deal with a multicultural market of more than 150 countries, and offers a guarantee of short and long-term supply. Its customers value this level of availability, especially in times of rapid changes in technology and economic volatility.

## **SUSTAINABILITY AND ENVIRONMENT**

8. For some time now, Miquel y Costas is focused on making its business activity compatible with environmental protection. To meet this commitment, the Group's companies reduce water and energy consumption, recycle waste generated from their activities, and make biodegradable and compostable products available on the market. Its aim is to become a net benefactor of sustainability and the environment.



9. Miquel y Costas is committed to reducing the CO2 footprint of its companies in line with the goals set by the Paris Agreement and making the circular economy permeate the entire production and distribution chain, conforming the standards set by international agencies. The Group applies this rigorous policy to its suppliers, requiring them to ensure that the same practices are carried out.
  
10. Miquel y Costas contributes to a more sustainable world by developing complex cellulose-based materials that have an edge in replacing non-renewable plastics and metals. These new materials, which have an impact on areas of high consumption and considerable social repercussions, require investments in research and development, and are one of its main commitments to the future.

## **INDEPENDENCE**

11. Financial solvency is one of its strengths and is essential for sustaining growth plans and undertaking and developing new production capabilities. The soundness of its finances and its balanced assets allow it to meet market demands, by



accessing and using the most advanced technologies and to maintain planned growth and preserving its independence.

12. The ability to efficiently manage the dynamics generated by product and market diversification, and the vertical integration in the value chain from an effective decentralization, requires a complex approach that is key to its competitiveness, and is not easily assimilated by third parties.

13. The organization's continuous evolution, the management technologies, and the close relationship of the Group's decision-makers with customers and suppliers, implies a collaboration from which it derives its capacity to achieve innovative developments in products and services. Capitalization of these values, which is ensured by the independence and the Group's desire for continuity, sustains the trajectory of the project.

## **PEOPLE AND GOVERNANCE**

14. Decentralization is an essential characteristic of a model that concentrates management where operations are carried



out, with a high degree of freedom and initiative, and sustains it with a complex and innovative Management Control system that provides substantial information from the Corporate Centre. The Corporate Centre plays a support and advisory role in the day to day business, and communicates the general policies while transferring the knowledge generated by the parties and the Group.

15. Miquel y Costas aspires to be a leader in terms of its internal organization and personnel policy. To do this, it attempts to involve its employees in the industrial project, offering them long-term perspectives that promote their sense of belonging, encouraging creativity and establishing permanent ties for the personal and professional fulfilment of its employees.
16. The center of gravity of this personnel policy is the ongoing internal and external training that facilitates effort- and merit-based advancement for employees. Aimed at promoting people's skills and their personal fulfilment, this policy is one of the pillars of its strategy.
17. Miquel y Costas has a remuneration policy compatible with its competitiveness. This policy, which respects gender



equality, is complemented by contributions to multi-year pension plans that provide long-term protection for its employees.

18. The executives are the company's backbone. Aware of their responsibility in company's performance, there are variable incentives aimed at making them active individuals responsible for the industrial project, who should be compensated to the extent they assume and share the management risk. This policy, based on an assessment of results and the effort to achieve them, is aimed at attracting the best talent while protecting the project against unforeseen problems.
19. Personal fulfilment is a value that Miquel y Costas promotes among its executives, with the conviction that the intellectual challenge they face and their creativity at work are essential for the company's success. This culture, based on responsibility and excellence, is a determining factor in achieving the objectives pursued.
20. In order to share decisions and promote performance, Miquel y Costas has a policy of proximity to operations and





to the activity of all its employees. The Group continuously evaluates its personnel with the aim of strengthening their capabilities and studies the way in which employees could anonymously evaluate their immediate supervisors. The Board of Directors itself has an equivalent process for evaluating its members.

## **SHAREHOLDERS AND SOCIAL ENVIRONMENT**

21. The Miquel y Costas Group has channeled the social responsibility activities carried out into a Foundation, in order to develop a systematic and effective policy in this area. Created in 2020, the Miquel y Costas Group Foundation pursues social goals and promotes environmental sustainability, while supporting cultural, educational and technological innovation projects in all these areas.
  
22. The performance of Miquel y Costas' assets has allowed a sustained investment policy and an ongoing effort in innovation within a framework of financial solvency. Contributing to this is the dividends policy accepted by the



shareholders, and the commitment of the stakeholders, with whom the Group maintains a close relationship.

23. The Board of Directors has always supported the management of resources, which has facilitated satisfactory results and sustained growth. Composed of renowned professionals who bring their expertise and commitment, the Board is responsible for maintaining the Group's independence and looking after all of its shareholders, above all the small ones who have entrusted them with their savings. Transparency in the rendering of accounts is the basis of its actions.

24. Transparency in management and the truthful rendering of accounts are fundamental values in corporate culture. The Group has formalized plans and programs for rendering accounts with maximum transparency, both internally and with its stakeholders.

25. The company's long history requires it to exercise special care and diligence regarding its heritage in all areas, its industrial architecture, and the memory of its industrial development over time. Also, to reclaim and communicate



its institutional and, at times, political trajectory. And, always, its social imprint. As well as its industrial and artistic assets. One of its idiosyncrasies is to cultivate, study and communicate such values, knowledge, and experience, and this is an acknowledgement of the commitment to its nearly 300-year history.

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