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MIQUEL Y COSTAS & MIQUEL, S.A. and Subsidiaries

Independent Verification Report

Consolidated Non-Financial Information
Statement for the financial year ended 31st
December 2024

Offices in: Alicante, Barcelona, Bilbao, Madrid, Málaga, Valencia, Vigo

Forvis Mazars Auditores, S.L.P. Registered Office: C/ Diputació, 260 - 08007 Barcelona
Mercantile Register of Barcelona, Book 30.734, Folio 212, Page B-180111, Inscription 1ª, N.I.F. B-61622262
Registered with the number S1189 in the Registro Oficial de Auditores de Cuentas (ROAC) (ie. Auditors Official Registry)

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Free translation of the verification report originally issued in Spanish based on our work on the Consolidated Non-Financial Information Statement, carried out in accordance with the requirements of Law 11/2018 of 28 December. In case of discrepancy, the Spanish version prevails.

Independent Verification Report on the Consolidated Non-Financial Information Statement

To the Shareholders of
MIQUEL Y COSTAS & MIQUEL, S.A.

Pursuant to Article 49 of the Code of Commerce, we have verified, under a limited assurance scope, the accompanying Consolidated Non-Financial Information Statement (hereinafter NFIS) for the year ended 31st December 2024 of **MIQUEL Y COSTAS & MIQUEL, S.A.** (hereinafter the Parent Company) and **Subsidiaries** (hereinafter the Group) that forms part of the Group's Consolidated Management Report.

The content of the NFIS includes additional information to that required by current commercial legislation on non-financial reporting which has not been covered by our verification work. In this respect, our work has been restricted solely to verifying the information identified in Appendix I "Traceability table under Law 11/2018 and under the European taxonomy regulation" included in the accompanying NFIS.

Responsibility of the Directors

The preparation of the NFIS included in the Group's Consolidated Management Report, and the content thereof, is the responsibility of the Directors of **MIQUEL Y COSTAS & MIQUEL, S.A.** The NFIS has been drawn up in accordance with the provisions of current commercial legislation and following the criteria of the Sustainability Reporting Standards of the Global Reporting Initiative ("GRI standards"), selected in agreement with the details provided for each matter in Appendix I "Traceability table under Law 11/2018 and under the European taxonomy regulation" in the aforementioned NFIS.

This responsibility also includes the design, implementation and maintenance of the internal control that is considered necessary to ensure that the NFIS is free from material misstatement, due to fraud or error.

The Directors of **MIQUEL Y COSTAS & MIQUEL, S.A.** are also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the NFIS is obtained.

Our independence and quality control

We have complied with the independence requirements and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants ("IESBA") which is based on the fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional conduct.

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Our firm applies the International Standard on Quality Management (ISQM) 1, that requires the firm to design, implement and operate a quality management system which includes policies and procedures related to compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement team consisted of professionals specialising in non-financial information reviews and specifically in information on economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance verification report based on the work carried out. Our work has been carried out in accordance with the requirements laid down in the current International Standard on Assurance Engagements 3000 Revised, "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and with the Guidelines for verification engagements on Non-Financial Information Statements issued by the Spanish Institute of Auditors ("Instituto de Censores Jurados de Cuentas en España").

In a limited assurance engagement, the procedures performed vary in terms of nature and timing of execution and are more restricted than those carried out in a reasonable assurance engagement. Accordingly, the assurance obtained is substantially lower.

Our work has consisted of posing questions to Management as well as to the various responsible units and areas of the Group that were involved in the preparation of the NFIS, in the review of the processes for compiling and validating the information presented in the NFIS and in the application of certain analytical procedures and review sampling tests, as described below:

- Meetings with personnel from the Group to ascertain the business model, policies and management approaches applied, the main risks related to these matters and to obtain the information required for the external review.
- Analysis of the scope, relevance and integrity of the content included in the NFIS for FY2024 based on the materiality analysis carried out by the Group, considering the content required under current commercial legislation.
- Analysis of the procedures used to compile and validate the information presented in the NFIS for FY2024.
- Review of the information concerning risks, policies and management approaches applied in relation to material issues presented in the NFIS for FY2024.
- Verification, through sample testing, of the information relating to the content of the NFIS for FY2024 and its adequate compilation using data supplied by the information sources.
- Obtaining a representation letter from the Directors and Management.

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Emphasis of matter

In accordance with European Parliament and Council's (EU) Regulation 2020/852 of June 18th, 2020, related to establishing a framework to facilitate sustainable investment, as well as on the basis of the Delegated Acts promulgated in accordance with the provisions of said Regulation, the obligation is established, for the first time for the 2024 financial year, to disclose information on how and to what extent the company's activities are associated with aligned economic activities in relation to the environmental objectives of sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems (the remaining environmental objectives), and for certain activities included in the climate change mitigation and adaptation objectives, in addition to the information regarding eligibility required in the 2023 financial year for the aforementioned activities. Consequently, the attached NFIS does not include comparative information on alignment in relation to the rest of the aforementioned environmental objectives or to the new activities included in the mitigation of climate change and adaptation to climate change objectives, as it is not required by the legislation for this financial year. Additionally, it should be noted that the directors of **MIQUEL Y COSTAS & MIQUEL, S.A.** have included information on the criteria that, in their opinion, enable better compliance with the aforementioned obligations and that are defined in Chapter 2 (Environmental Matters) section i (Sustainable Finance Taxonomy) of the attached NFIS. Our conclusion has not been modified in relation to this matter.

Conclusion

Based on the procedures performed in our verification and on the evidence we have obtained, no matters have come to our attention which may lead us to believe that the NFIS of **MIQUEL Y COSTAS & MIQUEL, S.A.** and **Subsidiaries** for the year ended 31 December 2024 has not been prepared, in all material respects, in accordance with the provisions of current commercial legislation and following the criteria of the selected GRI standards in accordance with the details provided for each matter in Appendix I "Traceability table under Law 11/2018 and under the European taxonomy regulation" of the aforementioned NFIS.

Use and distribution

This report has been drawn up in response to the requirement laid down in current Spanish commercial legislation and therefore might not be suitable for other purposes or jurisdictions.

Barcelona, 24th April 2025

Forvis Mazars Auditores, S.L.P.

Óscar Herranz

MIQUEL Y COSTAS & MIQUEL, S.A. AND SUBSIDIARIES
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Annex III NON-FINANCIAL INFORMATION

The present Non-Financial Information Statement (NFIS) has been elaborated to comply with Law 11/2018 of 28 December on non-financial information and diversity, which entails the transposition to the Spanish legal system of the European Directive 2014/95 and is elaborated in accordance with some selected internationally recognized standards of the Global Reporting Initiative (GRI) and those contained in the Law.

The reporting perimeter of the present NFIS coincides with that of the Consolidated Financial Statements and all exceptions to the defined scope have been appropriately identified in each case.

The report shows a brief description of the Group's business model, a summary of due diligence policies and procedures applied in the identification, assessment, prevention and mitigation of significant risks and impacts, together with the results of policies applied.

To provide comparability in the information reported, for most of the indicators, data for the previous year (2023) is included.

Materiality:

Miquel y Costas & Miquel, S.A. and Subsidiaries (hereinafter the Group), with a view to complying with the principle of materiality, have internally analysed and assessed the legal requirements established by Law 11/2018, of 28th December, on non-financial information and diversity, and have determined that all matters mentioned are relevant for the Group, except for the action to fight food waste, given that the activity carried out by the organisation is not linked to the generation of this type of waste.

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1. The Group's Business Model

Miquel y Costas & Miquel, S.A. is the parent company of the Miquel y Costas Group, an industrial group with its registered offices at Calle Tuset, 8 and 10, 7th floor, 08006-Barcelona. The Group's current parent company was incorporated as a public limited liability company ("sociedad anónima") in 1929 and the Miquel y Costas Group is now made up of 16 companies devoted to the production of specialty papers, the provision of services associated to this activity and their commercialisation and a representative office.

The companies that make up the Group, as well as related companies and representative offices are the following:

Production	Provision of services	Distribution
Miquel y Costas & Miquel Miquel y Costas Argentina MB Papeles Especiales Terranova Papers Clariana Fourtube (related entity) Celulosa de Levante	Payá Miralles Miquel y Costas Tecnologías Desvi Miquel y Costas Energía y Medio Ambiente Miquel y Costas Logística Office of Representation in the Philippines	Miquel y Costas Deutschland Papeles Anoaia Sociedad Española Zigzag Miquel y Costas Chile

The main corporate purpose since the outset has been the manufacture of low-grammage fine and specialty papers, the main specialty being high-tech paper for cigarettes, as well as printing paper, specialty paper, cellulose pulp and other types, and more recently, coloured paper and card.

The Group currently has three main lines of business: the so-called "Tobacco Industry", that covers the sale of pulp and paper connected with the tobacco industry, "Industrial Products", connected with paper for use in industrial products and "Others" which covers commercialization, services and other activities.

The Group's in-depth knowledge of the manufacture of specialty papers, perfected by means of systematic research and acquired technological experience, has allowed them to extend their portfolio to include other products modelled on similar technical fundamentals.

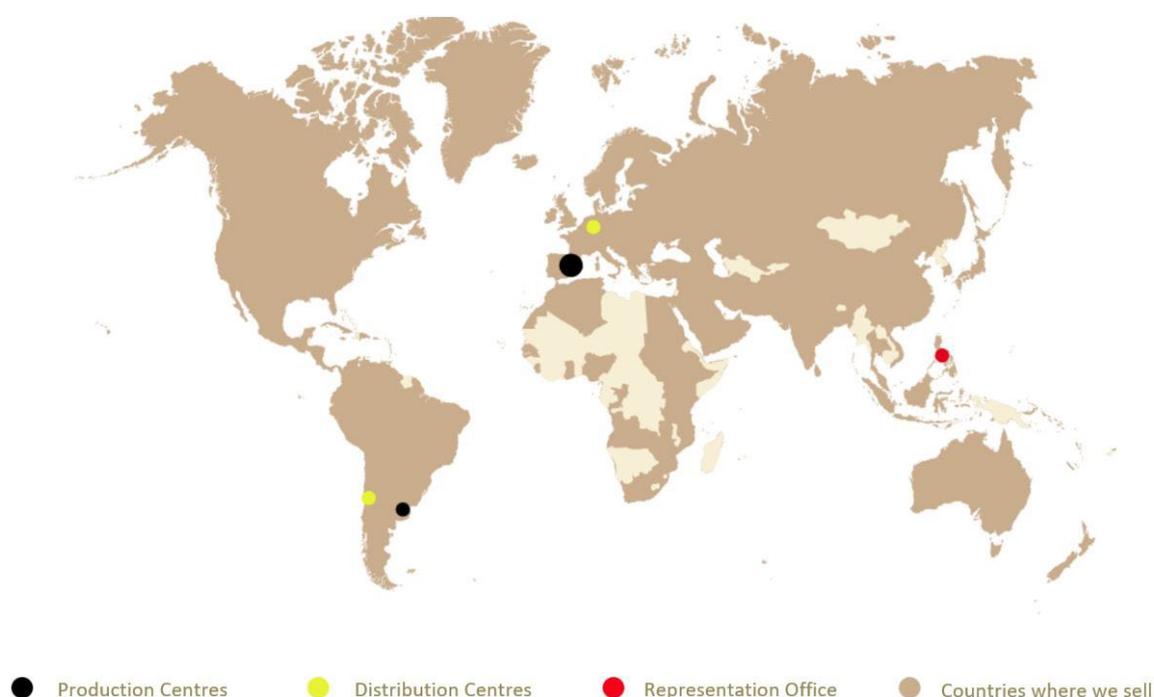
This effort and experience are reflected in the quality of the cigarette paper, specialty paper for industry, printing paper and specialty pulps manufactured, placing the Miquel y Costas Group in a leading position in Spain's paper industry among manufacturers of low-grammage papers, as well as in a pre-eminent position worldwide.

The industrial activity is highly integrated, resulting in the exploitation of synergies in the areas of research and technology, both in the development of new products and in relation to process control and management, in which the Group has made significant progress.

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The Group has industrial plants in Besós (Barcelona), Capellades (Barcelona) and Mislata (Valencia) engaged in the production of fine and specialty low-grammage and converted papers, particularly for the cigarette industry; in Tortosa (Tarragona), where it produces textile pulps using flax and hemp for the cigarette industry and other fibres for other industrial sectors; in La Pobla de Claramunt (Barcelona), where it has a plant producing speciality papers for industrial uses and another making highly porous specialty papers; in Villarreal (Castellón), where coloured papers and card are manufactured, and in Avellaneda (Buenos Aires, Argentina), making cigarette rolling paper packs and other converted papers. The Group also has an associate, Fourtube (Seville), engaged in the manufacture of converted paper. Additionally, the Group has a company that manages two logistics centres to carry out product storage, transportation, and product distribution services, located in the provinces of Castellón and Barcelona, the latter also handling a small part of the production of converted products. In turn, the Group also has offices in most of the abovementioned locations.



The high level of technology, derived from its own developments, has enabled the Group to be present in most of the world's markets. In addition to meeting domestic demand, a highly significant portion of the Group's sales are exports, which are deeply rooted in the Group, as shown by the fact that nearly one hundred and twenty-five years ago the Company already had its own sales agencies and a large number of customers in Havana, Federal District of Mexico, Valparaíso, New York, etc. The export share reached 87% in 2024, the main market being European Union countries at 31%, OECD countries at a little over 29%, while the rest of the world accounted for 27%.

In 2024 a number of geopolitical tensions existing in 2023 have remained latent (armed conflict between Russia and Ukraine, armed conflict between Israel and Palestine in the Gaza strip). Their duration remains undetermined and international trade in both areas continues to be disrupted.

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The international stage in which the parent company and most of the Group companies operate exposes them to the foreign currency exchange rate risk. Currency fluctuations are partially offset by monetary flows of a different kind from imports and exports. In aggregate terms, the Group is a net exporter, and the resulting net positions are generally insured through hedging instruments.

At the same time, as the commercial activity is developed in a wide variety of markets, the Group is also exposed to trade credit risks, which are managed by means of internal credit policies and credit risk coverage through external insurance policies.

To address a fiercely competitive global market, the Group invests continuously in research, development, and innovation, giving rise to new products that meet the highest standards of quality and consistency, and satisfying emerging needs, and having the very latest technology available, (much of which is exclusive), to increase productivity and maintain the level of quality in their range of products.

As the Group demands energy sources, mainly electricity and gas, they are affected by the price volatility of these products. The Group, in order to mitigate and reduce the impact of the volatile prices, continually monitor their evolution and on determined occasions negotiates/closes contracts with trading companies that guarantee greater stability and security for the business. In addition, a significant part of their investments are geared towards technologies that permit improved production performance and with this reduce consumption, and towards installations that lower dependence on external energy (such as those that took place this year in the investment in photovoltaic panels), advancement in the decarbonisation plan and also ensure an efficient management of the supply of said resources.

Concerning the governing bodies, the Board of Directors is the Company's ultimate decision-making body, except in areas reserved for the competence of the General Meeting by current regulations in force. Information on this section is detailed in the Annual Corporate Governance Report which forms part of the Annual Accounts for FY2024, and also on the corporate website <https://miquelycostas.com/informacion-corporativa/#gobiernocorporativo>.

2. Environmental Matters

a. The effect of business activity on the environment

At the heart of the value chain of the paper sector, the Miquel y Costas Group stands out for their focus on the production and marketing of speciality papers for the tobacco industry, industrial products and the printing sector. Their recognised technological level and specialisation allow them to operate in demanding global markets in terms of quality, always prioritising the needs of the customer as the central axis of the activity. In addition, sustainability is an integral part of their strategy, actively seeking environmental protection and measures to counteract climate change. This commitment is reflected in the implementation of measures ranging from the optimisation of production processes to the sustainable management of forest resources, the conservation of biodiversity and the contribution to the well-being and development of the communities in which they operate.

Within this framework, the environmental policy of the Miquel y Costas Group focuses on two key objectives: the first, to guarantee the conformity of the products supplied to clients with the established standards, ensuring operational and humane conditions for a continuous and cost-effective improvement in quality. The second objective focuses on minimising the environmental impact of their operations, both main and auxiliary, in all production centres and acting in a way that respects the surroundings.

In line with the above, the Group's Corporate Social Responsibility Policy, in addition to working to ensure strict compliance with current legal obligations, voluntarily incorporates significantly relevant environmental concerns, such as climate change mitigation, the promotion of sustainable forestry practices, the conservation of biodiversity and the efficient management of water resources, thus demonstrating their high level of commitment to the conservation of the environment.

For paper production, the Group purchases wood pulp from external suppliers that comes exclusively from fast-growing forest plantations. This choice leads to indirect environmental benefits in the forestry sector, as well as social and economic benefits. These include the Group's contribution to increasing the forest area and preserving natural forests, which contribute to the absorption of CO₂ and the prevention of erosion and its consequences.

Regarding indirect social and economic benefits, the Group's supply chain contributes to the revitalisation of the rural economy by generating employment and wealth, as well as promoting sustainable forestry growth.

In relation to energy and water consumption, the intensive nature of pulp and paper production requires efficient management of these resources. Due to this, the Miquel y Costas Group continuously invests in the innovation of technologies and production processes that minimise environmental impact. This commitment translates into the development and implementation of solutions that optimise the consumption of energy, water and other natural resources, and in the reduction of the generation of emissions, effluents and waste. This strategy is supported by a solid track record in the use of clean and renewable fuels, which promote sustainability in their use and production.

The following sections show the continuous improvement in the management and preservation of natural resources, the reduction of emissions and discharges, as well as the increase in energy efficiency and the integration of renewable energies in the Group's operations.

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b. Environmental assessment or certification procedures

The Miquel y Costas Group have established a Management System that encompasses the areas of Quality, Environment, Energy, Chain of Custody and Product Safety and Innocuousness, in order to achieve their objectives in these areas.

This Integrated Management System (hereinafter IMS) is certified in accordance with the current version of the following regulations and standards:

- UNE-EN ISO 9001 and UNE-EN ISO 14001 standards relating to quality and environmental management systems, respectively. Their scope includes all production centres located in national territory and the head offices. The renewal process for both certifications was carried out in 2024 and was completed successfully.

The scope of the certification UNE-EN ISO 14001 covers the design, production and commercialisation of paper for the tobacco industry (cigarette, plug wrap and tipping papers), thin paper for publishers, the graphics and packaging industry; special filter paper and absorbent paper, as well as special cellulose pulp from non-wood fibres.

- Standard IATF 16949, for the production centres MB Papeles Especiales and Terranova Papers, which defines the basic requirements for quality management systems for organisations producing automotive parts. In 2024, the certification was successfully renewed.
- Standard UNE-EN ISO 50001, relating to energy management systems, for Miquel y Costas & Miquel, S.A. in Besós and Mislata, MB Papeles Especiales, S.A., Terranova Papers, S.A., Celulosa de Levante, S.A and Clariana, S.A.

The scope of the UNE-EN ISO 50001 certification covers the design, production and commercialisation of papers for the tobacco industry (cigarette, plug wrap and tipping papers), thin papers for publishers, the graphic and packaging industries; special filter papers and absorbent paper, as well as special cellulose pulps from non-wood fibres. This certification supports the efficient management of energy aspects of industrial operations, using control tools and continuous improvement to optimise energy consumption.

- Standard BRCGS Packaging Materials, for production centre Terranova Papers, S.A. This international standard guarantees the safety, legality and food quality of packaging and containers, establishing the hygiene and health requirements that must be met.
- Standard ISO 22000, for Miquel y Costas & Miquel in the production centre located in Mislata, Valencia. This certification demonstrates compliance with the strictest standards of food hygiene and safety and ensures the safety of the products that are in contact with food manufactured. This also includes those packaging and wrapping materials that come into contact with food, as well as their high level of safety. In 2024, the certification was successfully renewed.

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- Chain of custody standards FSC-STD-40-003, FSC-STD-40-004, FSC-STD-50-001, PEFC-ST-2002:2020 and PEFC-ST-2001:2020 implemented in all production centres, except for Celulosa de Levante, for which it is not applicable due to the nature of their activities. The above standards define the necessary requirements to ensure the responsible sourcing of forestry raw materials and to guarantee their traceability throughout the supply chain. The Group maintains a raw material procurement policy that prioritises regions with responsible practices, respect for fundamental labour rights and traceability of materials to their place of origin, thereby contributing to the preservation of ecosystems, the prevention of biodiversity loss and the promotion of respect for the environment. In 2024 these certifications were successfully renewed.

Within the IMS, the Miquel y Costas Group has defined and implemented the following public policies:

- The Product Quality, Environment, Energy, Security and Safety Policy (POLCAM) at the companies Miquel y Costas & Miquel, S.A., MB Papeles Especiales, S.A., Terranova Papers, S.A., Celulosa de Levante, S.A. (Celesa) and Clariana, S.A.
- The Chain of Custody Policy (POLCDC) at the companies Miquel y Costas & Miquel, S.A., MB Papeles Especiales, S.A., Terranova Papers, S.A. and Clariana, S.A.

As a result of the implementation of the IMS and the application of its policies, four procedures have been established to identify, assess, prevent and mitigate significant risks and impacts, as well as for carrying out the corresponding verification and control:

- The general supplier assessment procedure (PRCOM02) states that all reception of raw material into the chain of custody (wood pulp) must go through the stipulated due diligence system, also ensuring compliance with the regulation (EU) No. 995/2010 (EUTR) for non-EU suppliers. The Group has prepared the implementation of Regulation (EU) No. 1115/2023 (EUDR), which will enter into force in December 2025.

In order to eliminate the risk of purchasing cellulose from wood that has not been responsibly managed, and as a result of that indicated in POLCDC and PRCOM02, FSC® (FSC-C041521) or PEFC (PEFC/14-33-00022) -certified or controlled raw wood material is purchased.

- The general risk and opportunity analysis procedure (PRRYO01) in which it is established that annually each work centre that is ISO 9001, ISO 14001, ISO 22000 and/or ISO 50001 certified must identify risks and opportunities of all the processes that make up the IMS, taking into consideration the context and needs and expectations of the stakeholders of each production centre. On a half-yearly basis the environmental risks and opportunities, including those associated with climate change, water and plastic management, forest and biodiversity conservation are identified. The procedure is based on a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis and an FMEA (Failure Mode and Effect Analysis). From this analysis preventive action and improvement/objective plans are established and developed to address these risks and opportunities and the result forms part of, among others, the annual investment plan.

The main risks in the IMS environmental control process identified by means of the PRRYO01 are as follows:

- Potential breach of the threshold values laid down in the Integrated Environmental Authorisations (hereinafter IEAs) for different environmental aspects such as emissions, waste, effluents, noise, light and soil.
- Lack of knowledge of new environmental legislation.
- Difficulty in calculating CO2 emissions throughout the value chain.

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- The procedure for identifying and assessing environmental and energy aspects (PRSAM01) defines the process by which environmental and energy impacts are identified and assessed arising from the activities, products and services of the companies that make up the IMS, adopting a life cycle approach. The most significant aspects are:
 - Consumption of natural resources: decrease of resources, abiotic depletion (fossil fuel resources), global warming as well as indirect impacts associated with the manufacture of the goods consumed.
 - Emissions and odours: atmospheric pollution, abiotic depletion, and global warming.
 - Waste: impacts associated with waste management, which include the decrease in natural resources, atmospheric pollution, water pollution as well as landfill clogging.
 - Discharges or sewage: alteration of water quality, aquatic ecotoxicity and indirect impacts associated with water treatment.
 - Noise and light: disturbance and health risks due to exposure to noise and light pollution.
 - Soil: pollution of water and soil, abiotic depletion and aquatic ecotoxicity.

- Energy system management procedure (PRSGE01), applicable to all activities, products and services that use and consume energy from the processes defined in the IMS.

To mitigate the risks that could affect the energy performance and efficiency, this procedure includes the implementation of the energy review, energy performance indicators and the establishment of energy baselines. Likewise, it details the planning for energy data collection, operational control and provides guidelines for the design and acquisition of installations, equipment, systems and processes.

The General Internal Audit Procedure (PRAUD01) formalises the monitoring of environmental and energy policies, procedures and objectives established through internal audits at production centres in accordance with the specific standards and regulations applicable in each case. In addition, the proper functioning of operational control is verified on a half-yearly basis, as well as compliance with environmental and energy policies, objectives and legal requirements, in accordance with PRAUD01 and the Operational Control Procedure (PRSAM04).

In addition to internal audits, external audits are conducted annually by companies in accordance with the aforementioned regulations and standards.

With regard to reducing the impact on nature, the Miquel y Costas Group involves its supply chain, assessing suppliers annually on environmental and energy aspects, as outlined in the provisions of POLCAM. This assessment, which takes into account specific supplier certifications and behaviours, together with second party audits are considered when making purchasing decisions. For more information, see section 6 (Society) of this report.

c. Resources dedicated to environmental and energy risk prevention

As a demonstration of the continued commitment to environmental risk prevention and climate impact reduction, the Miquel y Costas Group allocates resources on a permanent basis. In 2024, total net environmental investments in national companies, deducting grants received, have amounted to €10,572 thousand euros (3.616 thousand euros in 2023).

Within the framework of the production process, the resources have mainly been allocated to optimising energy consumption to help mitigate climate change by increasing the energy efficiency of auxiliary equipment, such as improvements to boilers and the renovation of compressors. Similarly, processes have been optimised, as in the case of the refurbishment of the dryer sections of some paper machines, as well as promoting water recirculation.

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With regard to investments that are not directly linked to the production process, the resources allocated have been focused on the removal and replacement of roofs with asbestos, thus promoting the use of non-hazardous and more environmentally friendly materials. Likewise, investments have been made in the execution and start-up of new photovoltaic installations to replace conventional electricity with its own generation with renewable energy sources.

d. Environmental protection and responsibility

In 2024, the total environmental protection costs incurred by the Group in Spain, excluding revenue from the sale of by-products and excluding expenses arising from CO₂ emission rights, amounted to 4,398 thousand euros (4,744 thousand euros in 2023). Said expenses included no extraordinary items and corresponded mainly to the social contribution for charges from the corresponding Autonomous Regions for the use of water, as well as consumption of raw materials and energy in environmental protection activities and costs related to waste collection and treatment. At 2024's close, the Group has no knowledge of any material contingencies related to environmental protection and improvement. In 2023, there were no contingencies related to this either.

At the same time, the Miquel y Costas Group has an environmental liability policy which includes all national production centres.

The following production centres of the Miquel y Costas Group are involved in the reporting of the environmental data presented in the report:

Centre	Location	Company
Besós Production Centre	Barcelona	Miquel y Costas & Miquel, S.A.
Mislata Production Centre	Valencia	Miquel y Costas & Miquel, S.A. S.A. Payá Miralles
MB Production Centre	La Pobla de Claramunt (Barcelona)	MB Papeles Especiales, S.A.
TP Production Centre	La Pobla de Claramunt (Barcelona)	Terranova Papers, S.A.
Celesa Production Centre	Tortosa (Tarragona)	Celulosa de Levante, S.A.
Clariana Production Centre	Villarreal (Castellón)	Clariana, S.A.

This report excludes from its scope data related to Miquel y Costas & Miquel, S.A.'s production centre located in Capellades (Barcelona), the logistic and production centres of Miquel y Costas Logística, S.A. located in Betxí (Castellón) and Pas de l'Aigua (Barcelona) and the work centre located in Tuset (Barcelona) and the foreign subsidiaries. This exclusion is due to the low relevance that their environmental and energetic aspects have.

Data reported hereafter in the report is based on tonnes produced:

t prod	2023	2024	Variation 2023-2024
Product	85.278	91.195	+6,9%

It is important to highlight that in 2024 The Group recovered higher production levels than in the previous year, which had been affected by special circumstances (weak demand in certain business segments, investments, etc.) that had a negative impact on the activity of some production centres at that time.

e. Atmospheric emissions and Climate Change

The Miquel y Costas Group is committed to reducing their greenhouse gas emissions (hereinafter, GHG) and to improving the sustainability of their products and services. The Group also has a Climate Transition Plan (CTP), which was made public in 2023 and constitutes the roadmap for achieving the GHG emissions reduction target for 2030 (base year 2018), moving towards the goal of Net Zero throughout the entire value chain by 2050. In addition, the Group seeks to increase the adoption of practices and technologies that minimise its environmental impact, such as optimising equipment, replacing fuels with lower environmental impact and improving energy efficiency at its production centres. These actions are part of the Group's commitment to the Paris Agreement and its goal of limiting the global temperature increase to 1.5°C above pre-industrial levels. The CTP, as an integral part of the Group's strategy, defines the objectives and actions aimed at fulfilling its climate change commitments.

The Board of Directors (hereinafter BD) and General Management are Miquel y Costas Group's ultimate decision-making and supervisory bodies with regard to the climate change commitments acquired. These commitments represent a priority in the management of the organisation and a basic principle of their Corporate Governance. Among their functions are included orientation, control, supervision and annual monitoring of matters related to the fight against climate change, including the execution of the Climate Transition Plan. Management reports regularly to the BD on the strategies, policies, risks and opportunities associated to climate, which are assessed in each centre and subsequently reviewed by the Chief Executive Officer and Managing Director. Both parties align the whole organization to reach the goals in the different operating aspects which include CAPEX, purchasing policies, remuneration and incentive schemes, operating efficiency, performance objectives, among others.

The definition of the Group's environmental objectives follows a rigorous and structured procedure. First, the Chief Executive Officer, based on a proposal from Miquel y Costas Tecnologías (MCT), defines the environmental objectives and reports to the Board of Directors on income, costs and investments, including those related to climate change, water and plastic management, forest conservation and biodiversity. S/he then submits the environmental objectives to the Board for approval, which periodically reviews and compares them with operational and financial performance that may be affected by climate-related issues. These issues are considered at BD meetings for possible acquisitions, mergers and divestments. In addition, budgets are validated annually and Strategic Business Plans, designed and presented by the division directors, are validated every three years. Of particular note is the Audit Committee, a body reporting to the BD, whose functions include reviewing the effectiveness of risk and opportunity management.

In addition, the Energy and Environment Committee, composed of members of the Board of Directors and the management team, reviews the most relevant aspects related to the environment and energy.

It is worth highlighting the proactive approach taken by the Miquel y Costas Group when analysing and managing risks and opportunities related to the environment and climate change, which can have a direct effect on commercial operations. In relation to the above, every six months the Head of the Integrated Management System, in collaboration with the Chief Executive Officer, reviews and presents environmental risks and opportunities at a corporate level.

The Miquel y Costas Group's most significant greenhouse gas emissions arise from combustion equipment used to generate the steam in pulp and paper manufacturing processes. Also, a small percentage of emissions linked to the fuel consumption due to the start-up of auxiliary equipment and the use of mobile sources such as machinery and vehicles owned by the Group is taken into account.

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With regard to the management of greenhouse gas emissions, for the period 2021-2025, the companies MB Papeles Especiales, S.A., Terranova Papers, S.A., Payá Miralles, S.A. and Clariana, S.A., which are low emission, are excluded from the European Union's Emissions Trading System. In applying the corresponding legislation, a maximum annual emission has been established for each of them which, in the case it were surpassed, would entail delivering the surplus volume of emission rights to the State.

In 2024 no production centre has exceeded the limit of annual maximum emissions established with the exception of Terranova Papers, which has surpassed it by 3.25% (1.58% in 2023).

In turn, the companies Miquel y Costas & Miquel, S.A (Besós factory) and Celulosa de Levante have remained within the framework of the European Union's Emissions Trading System. In 2024 the total allocation of emission rights amounted to 21,932, whilst the verified emissions amounted to 20,098 tonnes of CO₂, the result of which is a surplus of 1,834 emission rights, compared with a surplus of 1,761 emission rights in 2023.

Annually, an accredited external entity verifies the emissions associated with all of the above installations and presents the corresponding reports to the Public Administration.

The GHG protocol standard classifies the emissions of GHG gasses under three "scopes". Scope 1 refers to direct emissions from own or controlled sources, scope 2 includes indirect emissions derived from the purchased energy and lastly, scope 3 comprises indirect emissions, upstream and downstream, in the company's value chain.

The following data for scope 1 and 2 at Group level are worth highlighting:

		2023	2024	Variation 2023-2024
Scope 1	t CO _{2e}	52.827	53.690	+1,6%
	t CO _{2e} /t product	0,62	0,59	-5,0%
Scope 2	t CO _{2e}	0	0	NA
	t CO _{2e} /t product	0,00	0,00	NA

*Scope 2 emissions valued according to the market-based method and depending on the type of electricity purchased by the Group.

The increase in Scope 1 emissions during 2024 is due to higher activity levels at the Group's factories, with an increase in production and days of operation compared to 2023. This increase in emissions was partially offset by investments and energy efficiency improvement projects implemented by the Group.

In 2024, the Group maintained its commitment to purchasing 100% of its electricity from renewable sources, thus continuing with the elimination of all CO₂ emissions in scope 2 (100% in 2023), as shown in the table above. This commitment is an integral part of the Group's sustainability and decarbonisation strategy and is expected to be maintained in the coming years.

In this regard, since 2022, the Miquel y Costas Group has been carrying out an exhaustive system for measuring the organisation's Carbon Footprint, which includes scopes 1, 2 and 3, in accordance with the GHG Protocol methodology. This system has been maintained until the current financial year of 2024 and is verified annually by an external entity certified in accordance with the UNE-EN ISO 14064-3:2019 standard. The analysis of Scope 3 allows information of great interest to be obtained on the emissions of the Group's value chain, with which risks and opportunities for improvement can be identified in order to take action to reduce CO₂ emissions.

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The table below shows the data highlights of Scope 3 emissions, related to the value chain:

		2023	2024	Variation 2023-2024
Scope 3	t CO_{2e}	102.544	110.574	+7,8%

*Scope 3 emissions in 2024 include the following categories: Goods and services purchased or acquired, Capital goods, Fuel and energy activities (not included in scope 1 or 2), Transport and distribution of products and services upstream, Waste generated in operations. In 2023, all of the above categories were included.

Scope 3 emissions were increased by, as discussed above, a higher level of activity of the Group's production facilities during 2024. It should be recalled that the year 2023 was marked by special conditions that impacted total production, resulting in lower activity compared to previous years.

The Group also reports its emissions data and carbon footprint management annually through its response to the CDP Climate Change questionnaire. This international non-profit organisation promotes environmental management and disclosure that enables companies, cities, states and regions to measure and manage their environmental impacts. Through a standardised reporting system, CDP assesses the level of transparency, commitment, strategy and management of these entities in order to catalyse the transition to a sustainable economy. In addition, CDP facilitates the mobilisation of capital and collaboration between investors, companies and governments for the development of actions that contribute to intergenerational sustainability.

The CDP assessment report not only provides an understanding of the organisation's current position, but also the aspects that require attention in order to make continuous progress in environmental management and climate governance. This assessment places the company in one of four levels: D (Disclosure), C (Awareness), B (Management) and A (Leadership), allowing the results obtained to be compared according to sector, region and global average. There are four questionnaires:

- CDP Climate Change: focused on promoting the effective management of risks related to climate change and greenhouse gases.
- CDP Forest: provides the framework for action for the conservation and restoration of forest ecosystems.
- CDP Water Security: Promotes efficient water management and the reduction of the water footprint, defined as the total volume of water used in the production of goods and services.
- CDP Supplier Engagement Rating (SER) / Climate Change: encourages the company to collaborate with suppliers and take action to reduce emissions in the supply chain.

The Miquel y Costas Group's commitment to sustainability and environmental management has once again been recognised with an A rating in the Climate Change questionnaire presented in 2024, which corresponds to the 'Leadership' rank. This rating is the result of the continuous implementation of best practices, investments and actions in decarbonisation of the Group's production centres.

The A rating is recognition of the Group's excellence in sustainability, demonstrating a strong commitment to climate change mitigation, transparency and energy efficiency in all processes.

Rating	2023	2024
CDP Climate Change	A	A

It is worth mentioning that, at the date of preparation of this report, the corresponding global, geographical and activity benchmarks have yet to be published by CDP. Having received the highest rating, there is no doubt that the Miquel y Costas Group continues to stand out as a leader at both sector and regional level in the areas assessed.

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In 2024, continuous improvement continued to be encouraged in the CDP questionnaire, focusing on aspects such as risk disclosure and management, business strategy and financial planning. In addition, with the intention of making progress in reducing emissions and mitigating climate change together with its suppliers, the Group has maintained its efforts to promote the active participation and strengthen the commitment of all parties along the value chain. Measures that have been implemented in recent years include the incorporation of climate criteria in the supplier selection process and campaigns to collect data on their GHG emissions.

The Group maintains its focus on collaborating with its suppliers with the greatest impact on Scope 3 emissions, highlighting wood pulp suppliers, by encouraging them to set science-based emission reduction objectives - Science Based Targets (SBTi), aligned with the Paris Agreement, which aims to limit global warming to 1.5°C. The SBTi initiative provides a methodological framework and tools for effective climate risk management by organisations.

As a result, the Group demonstrates a high level of involvement with its suppliers in the fight against climate change, which translates into an A- rating in the CDP Supplier Engagement Rating (SER) for the year 2023 (latest assessment available at the time of publication of this report). This score, within the 'Leadership' rating, exceeds both the European average, which is at the 'Management' level (rating B-), and the averages for the paper, forestry and global sectors, which are at the 'Awareness' level (rating C).

Rating	2022	2023
CDP Supplier Engagement Rating (SER)	A-	A-

Obtaining an A rating in the CDP Climate Change module in 2024 and an A- rating in the CDP SER in 2023 (latest assessment available at the time of publication of this report) demonstrates the Company's excellence in managing environmental impacts and taking coordinated action in the face of the climate crisis, thus reaffirming its commitment to sustainability, its commitment to promoting decarbonisation in all production processes and the transparency of the Organisation.

In order to actively reinforce the internal commitment to sustainability, the Group implements the integration of environmental performance in the compensation system of the Management Committee by incorporating objectives linked to sustainability criteria. In addition, the Chief Executive Officer and General Management are encouraged to obtain a Leadership (A/A-) rating in the annual CDP assessment, with the aim of consolidating the Group's position as a benchmark in terms of sustainability, adaptation and mitigation of climate change.

This commitment is complemented by participation in the EcoVadis platform, which is a sustainability assessment that offers ratings and performance analysis in relation to Corporate Social Responsibility (CSR) and sustainability to organisations at a global level. The EcoVadis assessment methodology is based on an analysis of the sustainability management system of the assessed entities, considering their policies, actions and results, based on international standards such as the Global Reporting Initiative (GRI), the United Nations Global Compact and ISO 26000. The four key areas assessed are: Environment, Labour and Human Rights, Ethics and Sustainable Procurement.

These ratings establish a pathway for the selection of business partners and promote continuous improvement in social and environmental responsibility.

In February 2024, the Group was awarded a "Platinum" rating, based on data from the 2022 financial year. The Platinum medal is the highest recognition that a company can obtain from EcoVadis in the field of sustainability. It is awarded to companies that demonstrate a solid management system aligned with the highest standards, which is achieved by only 1% of the companies assessed worldwide. At the date of preparation of this report, the Company has yet to receive the EcoVadis results for the 2023 financial year's data.

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Also, the Group consolidates its commitment with various external stakeholders, maintaining an active participation and collaboration with industrial associations such as ASPAPEL (Spanish Association of Pulp and Paper Manufacturers), a representative entity of the pulp and paper sector at national level that brings together more than 95% of the total production of the sector through the 50 associated companies. ASPAPEL's mission is to promote the sustainable development and competitiveness of its members, as well as to promote the image of the sector, its companies and products. In addition, it represents the sector before public administrations and other relevant players, developing strategies and providing a meeting point for member companies. The Group also contributes actively to this task through the participation of the Chief Executive Officer in ASPAPEL's Board of Directors, thus ensuring an ideal alignment of the objectives of both organisations.

It is worth mentioning that the Group, through the Miquel y Costas Foundation, continues to support environmental initiatives on a global scale through the non-profit organisation Trees for the Future®, which operates in nine different countries and provides assistance to local communities around the world in planting trees to tackle deforestation. Through training and technical support programmes for farmers in several African countries (Cameroon, Senegal, Uganda, Tanzania and Kenya), the NGO contributes to the improvement of local economies, the promotion of biodiversity and the capture of carbon in the atmosphere. This partnership has been active since 2017 with an initial target of planting 165,000 trees, reached in 2022. In 2023, the new target of 200,000 trees was exceeded again and in 2024, a total of 223,072 trees were planted, thanks once again to the collaboration of its consumers through social networks. Since its foundation in 1989, Trees for the Future has planted more than 370 million trees, which strengthens the organisation's visibility and expands its capacity for dialogue with national, regional and local authorities, actively influencing policies, laws and regulations that promote the non-conversion of natural ecosystems, the fight against deforestation, the promotion of forest restoration and compensation, as well as the mitigation of climate change, in favour of contributing to long-term sustainability.

Furthermore, within the framework of the United Nations 2030 Agenda, in 2023 the Group made official its commitment to achieving the Sustainable Development Goals (SDGs). In 2024, the Company has strengthened its involvement in order to reinforce its corporate commitments to sustainable development and generate a positive social and environmental impact through its solutions and products.

The transition to a carbon neutral economy is a complex process that presents significant challenges, but also opportunities. In this context, the Group recognises that proactive interaction and commitment to stakeholders is key to influencing society and achieving the emission reduction targets defined under the Paris Agreement. Listening and responding to the concerns and opinions of these stakeholders is therefore one of the foundations for understanding both economic, social and environmental risks and opportunities, in addition to those associated with climate change faced globally. Participation in the various industry associations and sustainability indices mentioned throughout this section is evidence of the continuous effort to monitor and understand stakeholders as well as its ability to adapt to the changing needs of the market.

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Lastly, the Group focuses on the effective management of relations with the Authorities that design the environmental policies for the places where they operate, through the Chief Executive Officer and the General Director. The Chief Executive Officer actively participates on the Managing Board of the national sectorial association to which the Group belongs, working hand in hand with national and regional government agencies which establish climate change legislation.

The Group carries out a risk identification process, the most relevant of which are indicated below:

- Risks from new emerging regulations at European level. These could have a direct impact on the cost of the Group's GHG emissions, such as the Carbon Border Adjustment Mechanism (CBAM) on EU imports, which will affect the paper sector in the future.
- Risks due to the implementation of new technologies. Supporting the transition to processes and products with less carbon emissions, as well as compliance with more stringent air pollution limits, requires constant technological innovation, which involves inherent financial and operational risk.
- Physical risks from significant changes in precipitation patterns and temperatures due to climate change, which may lead to increased frequency of flooding and/or drought. Water shortages could temporarily disrupt production and an increase in associated costs.
- Risks due to possible raw material shortages and quality disruption due to climate change. As part of the raw material comes from regions potentially vulnerable to extreme weather events, these events are expected to become more intense and frequent in the future. As a consequence, fibre crops could be damaged, affecting both availability and quality. In addition, crop growth performance may be negatively altered.
- Risks associated with market developments: There could be a reduction in demand as a result of unforeseen changes for the Company in market dynamics resulting from new consumer trends driven by growing sustainability concerns.

In terms of opportunity analysis, the Group identifies a number of positive aspects for the business model, the following can be highlighted:

- Opportunities to implement renewable energy technologies. The Company consumes electricity intensively for the manufacture of its products. In this sense, clean technologies for own-consumption can contribute to the reduction of operational costs, in addition to reducing dependence on conventional energy sources.
- Water treatment optimisation opportunities. Reduced water withdrawals and sludge generation can enable the Group to realise cost savings in its direct operations, while improving its environmental impact and sustainability.
- Sustainable product development opportunities. In line with global trends towards a low-carbon economy, the Group identifies a great opportunity in the development and marketing of products with a lower environmental impact, which will enable it to meet the needs of an increasingly demanding and environmentally conscious market.
- Funding optimisation opportunities. Successful performance in sustainability indices such as CDP and EcoVadis can strengthen the company's positioning in the capital markets, as well as generate greater investor confidence in sustainable companies and facilitate access to preferential financing conditions.

In addition, in order to assess the risks and opportunities posed by climate change, the Group has conducted a short- and long-term analysis, considering both transition and physical risks. Special attention has been paid to raw materials and their respective areas of origin, considered relevant elements for the Group's business model. The analysis was based on two qualitative scenarios defined by the Intergovernmental Panel on Climate Change (IPCC): the first scenario is the 'very stringent' Representative Concentration Pathway (RCP 2.6) and the second scenario 'business as usual' (RCP 8.5). Both scenarios are widely used for the analysis of climate change risks and opportunities, providing a basis for the formulation of climate change strategies.

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Under the first of the defined scenarios RCP 2.6, which calls for a drastic reduction in GHG emissions to limit global warming to less than 2°C, the Group has defined short-term mitigation strategies in the transition period to 2030. These strategies are guided by elements in line with the established objectives which seek to reduce GHG emissions in a short-term time horizon, guarantee 100% responsible sourcing of forest raw materials and a 12% reduction in water abstraction for production processes in the period 2014 to 2025.

In the second scenario, the RCP 8.5 trajectory, projects the persistence of current GHG emission trends without substantial changes in policies and technologies. In this scenario, it is essential to identify the long-term physical risks arising from changes in climate parameters in order to assess the Group's resilience to the inherent challenges, with a particular focus on key raw material suppliers located in at-risk areas. In this regard, the Group is working to identify alternative sources of supply and/or alternative production facilities that are not exposed to such risk areas, as well as taking measures to mitigate impacts. As an integral part of this effort and in order to reduce the risks related to the supply of forest products, the Group maintains the objective of certifying all its wood pulp suppliers under the FSC and PEFC chain of custody standards, thus ensuring responsible forest management.

With regard to the analysis of transition risks, two quantitative scenarios developed by the International Energy Agency (IEA) have been considered. They are specified below:

Firstly, the IEA 2DS scenario, which seeks to limit global warming by 2°C and provides a scenario analysis based on the development and implementation of low-carbon technologies, including the pulp and paper sector, among others. This scenario sets the CO₂ emissions target at around 60% by 2050 (compared to 2013); followed by a continuous decrease in emissions until carbon neutrality is reached after 2050. For example, according to the IEA's sector analysis, since 2018 the energy efficiency of pulp and paper production has remained broadly stable, while in the Net Zero Scenario energy intensity falls by about 1.5% per year until 2030. Achieving the targets of this first scenario requires significant improvements in energy efficiency through increasing the share of paper made from recycled resources and the implementation of best available production technologies.

In accordance with this first scenario and considering the risks identified in the short and long term for the pulp and paper sector, the Group has implemented a series of mitigation strategies, using as a roadmap the established GHG emission reduction targets, of scope 1+2 by 51% by 2030 and of scope 1+2+3 by 90% by 2050; taking the base year 2018 as a reference. These strategies include actions already implemented or in progress such as the implementation of new biomass thermal power generation systems, the acquisition of all purchased electricity from renewable sources with guarantees of origin and the development of a robust programme for the implementation of new photovoltaic generation facilities, thus consolidating the total elimination of Scope 2 emissions and reinforcing the self-sufficiency of the Group's factories.

The second of the scenarios selected corresponds to the IEA NZE 2050 (Net Zero Emissions by 2050), which describes a trajectory to achieve net zero CO₂ emissions by 2050, in line with the Paris Agreement and IPPC target of limiting global warming to 1.5°C. The Group focused on the application of this second scenario in the pulp and paper sector, carrying out a short- and long-term assessment (2020-2050) in order to analyse the impact of climate change on its business model. Therefore, for the whole Group, the NZE transition scenario was considered to assess the impact of regulation, the pace of innovation in new and emerging technologies, the availability of sustainable bioenergy, the energy market, among other aspects. According to the IEA NZE 2050 projections, a 47% reduction in CO₂ emissions intensity is estimated for the pulp and paper sector in the period from 2018 to 2030.

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Based on information from this second scenario, the Group set short-term emissions reduction targets, with the Company aiming for a 51% reduction in emissions by 2030 (base year 2018), which is more stringent than the industry's own recommendations. Achieving the Group's ambitious emissions reduction targets and its goal of zero net emissions by 2050 requires significant improvements in energy efficiency. To achieve this, priority has been given to securing the supply of fuel and electricity at all times, as well as managing volatility in the energy markets. The engineering department has played a key role in identifying and evaluating energy efficiency alternatives to mitigate exposure to emissions risks. Thanks to the results obtained, the Group has implemented new initiatives focused on improving Scope 1 emissions for the period 2021-2026. The main actions include the investment of 54,000,000 euros in new thermal energy generation systems using biomass and in energy efficiency projects in the production centres, with a special focus on optimising thermal consumption in several paper machines. These initiatives reinforce the company's commitment to reducing GHG emissions, in line with the targets set for 2030.

It is important to mention that climate-related risks and opportunities continue to be a fundamental pillar of the Group's business strategy, fully integrated into its financial planning process. This approach mainly covers revenue, direct and indirect costs, and investments. Revenue projections take into account the development and industrialisation of innovative products that respond to the growing demand for sustainable solutions and the transition to a low-carbon economy. This is evidenced, for example, by the introduction into the market of fully biodegradable cellulose-based cigarette filters, which replace traditional synthetic materials. In addition, the costs associated with the approval of new suppliers and types of raw materials less exposed to the effects of climate change continue to play a key role in the organisation's financial planning.

In this regard, the Miquel y Costas Group continues to make progress with the implementation of significant measures aimed at reducing emissions and improving energy efficiency. These are outlined below:

- Consolidation of the clean energy development plan: the Group continues to strengthen its photovoltaic panel installations for own consumption and its biomass boiler projects. With regard to photovoltaic installations, during 2024 the Group completed its sixth photovoltaic installation, located at the MB factory, and the second phase of a new installation at the Besos factory.

The table below shows the evolution of the Group's Photovoltaic Plan, with the new facilities incorporated in the 2020-2026 period:

Scope	Installed Power Startup								
	2020 (kWp)	2021 (kWp)	2022 (kWp)	2023 (kWp)	2024 (kWp)	Accumulated (2020-2024) (kWp)	Total Investment (2020-2024) (thousands €)	Accumulated (2020-2026) (kWp)	Total investment (2020-2026) (thousands €)
Production Centres	193	562	1,302	1,562	507	4,127	8,937	6,075	14,771

At the end of the 2024 financial year, installed power reached 4,127 kWp, with plans to complete projects at the Besós, MB Papeles Especiales and Celulosa de Levante centres by 2026. By the end of this period, installed power is expected to reach 6,075 kWp.

With regard to biomass boilers, the Group is prioritising the first three projects for the Clariana, MB Papeles Especiales and Miquel y Costas & Miquel, Besós factory sites. Throughout 2024, basic engineering has been developed, with parallel procedures being initiated with local authorities. The detailed engineering and the first orders are planned for 2025, with the aim of executing and starting up these facilities by 2026.

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- Implementation of an intensive energy efficiency programme in all production centres, with a focus on optimising heat consumption in various paper machines, thereby contributing to reducing the Group's carbon footprint.
- Progress in energy efficiency improvement actions from the energy audits submitted to the Administration in the first quarter of 2021, based on data from the 2017-2020 period. At the beginning of 2025, energy audits will be carried out for the 2021-2024 period, which will allow the current status of the facilities to be updated and generate new proposals for energy improvements. The new photovoltaic installations and biomass boilers are clear examples of some of the initiatives that have been implemented and launched to date.
- ISO 50001 certification in energy management systems was successfully implemented in all of the Miquel y Costas Group's main production centres between 2022 and 2023. This certification reflects a robust approach to energy management, based on the implementation of control and continuous improvement tools, which minimises energy consumption while maximising energy efficiency. The first audit to renew the certification is planned for 2025, which will consolidate compliance with the regulations and establish new opportunities for improvement.
- Collaboration with Air France, KLM and Alitalia through the BlueBiz programme, focused on reducing GHG emissions associated with business flights, minimising the environmental impact of corporate travel. Participation in the programme allows the accumulation of 'Blue Credits' as an incentive through the purchase of tickets for business flights with the aforementioned airlines, which are committed to sustainability. Similarly, collaboration is maintained with Lufthansa Group Airlines, which has a 'Benefit' points system that can be used to offset CO₂ emissions in the form of Sustainable Aviation Fuel (SAF). In 2024, thanks to these collaborations, we have once again offset the emissions associated with business flights by 13.3 tonnes of CO₂. The Group also remains committed to sustainability by encouraging the elimination of unnecessary business flights and promoting alternatives such as videoconferencing or other telematic methods to replace face-to-face meetings.
- Collaboration with the NGO Trees for the Future®: this collaboration is mentioned again, which continues with the aim of reforesting areas of sub-Saharan Africa and contributing to the sustainable economic development of the region. Through this programme, the NGO trains farmers to revitalise their land and plant trees in various countries on the African continent (Cameroon, Senegal, Uganda, Tanzania and Kenya). Through the initiative and the Smoking #RollWithGreen campaign by Smoking®, a total of 223,072 trees have been planted between 2017 and 2024 (200,172 trees in the period 2017-2023), which not only helps absorb greenhouse gas emissions but also boosts the local economy, helping to combat poverty and hunger in the communities involved.

The table below shows the progress made towards the goals set by the group as part of its commitment to fighting deforestation and its collaboration with the NGO Trees for the Future®:

Results Trees for the Future	2023	2024	Variation 2023-2024
Trees planted	200,172	223,072	11,4%
Hectares reforested	20.25	22.57	11,4%
Persons removed from poverty	400	446	11,5%
t CO ₂ sequestered in 20 years	7,311	8,147	11,4%

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As a result of the measures adopted in the transition framework to a decarbonised economy, Scope 1+2 GHG emissions have been kept relatively stable in 2024, despite the significant increase in activity compared to 2023. It should be noted once again that the Group's current GHG emission reduction targets are more ambitious, based on scientific recommendations and in line with the Paris Agreement, which sets a limit on global temperature increase of 1.5°C above pre-industrial levels. The emission reduction targets include a commitment to achieve a 51% reduction in Scope 1 and 2 GHG emissions by 2030 (base year 2018), to maintain the total purchase of electricity in production centres from renewable energy sources and to achieve climate neutrality (Net Zero) by 2050.

It should be noted that these targets may change from those mentioned above. This is because in August 2023, the Group committed to defining short- and long-term targets for decarbonisation and has up to 24 months from the date of adherence to submit them for approval by the SBTi (Science Based Target initiative).

The SBTi initiative, backed by leading non-profit organisations such as CDP, UNGC (The United Nations Global Compact), WRI (World Resources Institute) and WWF (World Wildlife Fund), aims to help companies set greenhouse gas emission reduction targets based on climate science to limit global warming. The Group will complete the approval process for its targets in 2025, within the timeframe agreed with the SBTi standards.

The following table includes the GHG emission reduction targets in force at the date of publication of the report:

		2018	2023	2024	Variation 2023-2024	Variation 2018-2024	Objective 2018- 2030	Objective Net Zero 2018- 2050
Scope 1+2	t CO _{2e}	118,200	52,827	53,690	1.6%	-54.6%	-51,0%	
	t CO _{2e} /t product	1.23	0.62	0.59	-5.0%	-52.1%		
	t CO _{2e} /km ² product	40.48	21.25	20.81	-2.0%	-48.6%		
Scope 1+2+3	t CO _{2e}	252,973	155,372	164,264	5.7%	-35.1%		-90%

In 2024, the Miquel y Costas Group has made significant progress towards meeting its GHG reduction targets, achieving most of those set for 2030. The increase in absolute emissions compared to 2023 is due to increased production activity, reflecting a recovery after the exceptional conditions of the previous year. Despite this increase, specific emissions per tonne of product have continued to decline, demonstrating the Company's ongoing efforts to improve efficiency and reduce its environmental impact, thus maintaining a positive trend in emissions management.

On the other hand, periodic measurements of NOx and SOx emissions are carried out in combustion boilers, in accordance with the relevant IEA:

Kg/ t prod	2023	2024	Variation 2023-2024
NOx	0.79	0.98	23.3%
SOx	0.01	0.02	54.1%

It should be noted that these emissions are well within the limits established by regulations and that the variations observed from one year to another may be due in part to the use of sample and spot measurements.

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Furthermore, as part of the Group's commitment to environmental control, specific limits are established for NOx emissions at each production centre, again in accordance with the applicable IEA:

Installation		Objective 2025 NO _x (mg/Nm ³)	O ₂ % reference
Cogeneration plants	Turbine	150	15
	Motor	190	15
Conventional boilers		200	3

Given that the main sources of energy consumed by the Miquel y Costas Group are natural gas and electricity, the following table shows consumption per tonne of product for both sources:

Consumption – natural gas and electricity	2023	2024	Variation 2023-2024
Natural Gas (thousands Nm ³ /t prod)	0.29	0.27	-5.4%
Electricity consumed by Company (MWh/t prod)	1.64	1.62	-1.1%

In addition, the following table shows the evolution of the percentage of energy from renewable and non-renewable sources in relation to total consumption:

KWh energy from renewable sources / KWh total energy	2023	2024	Variation 2023-2024
Renewable sources	38.5%	39.3%	+2.1%
Non-renewable sources	61.5%	60.7%	-1.3%

In 2024, it can be highlighted that the Group's renewable energy ratio in its energy mix improved by 2.1% compared to the previous year, considering the significant increase in activity. This progress reflects the Company's ongoing efforts in its decarbonisation strategy through solutions such as the installation of photovoltaic panels, the use of biomass and the preferential purchase of renewable electricity for production centres. The Group aims to eliminate any expenditure or income that contributes directly or indirectly to the expansion of fossil fuels as soon as it is technologically and economically feasible.

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With regard to the SDGs, the most relevant ones associated with climate change, together with the main contributions for 2024, are detailed below:



SDG 7. AFFORDABLE AND CLEAN ENERGY.

The Group is committed to increasing the use of renewable energy sources wherever possible.

Main contributions in 2024:

- By 2024, 100% of electricity purchased from a company was produced from renewable sources (100% in 2023), thus maintaining zero CO2 emissions corresponding to scope 2.
- Increase in the share of energy from renewable sources to 39.3% in 2024 (38.5% in 2023).
- Implementation of the technological improvement project for the black liquor combustion system at the Celulosa de Levante production centre.



SDG 13. CLIMATE ACTION.

The Group has clear greenhouse gas emission reduction targets and constantly strives to improve energy efficiency at all its production sites, actively contributing to mitigating climate change.

Main contributions in 2024:

- Absolute CO2 emissions reduction targets for scope 1 and 2 by 51% by 2030 (base year 2018) and reach net zero by 2050. By 2024, reduction of absolute CO2 emissions in scope 1+2 by 54.6%, and scope (1+2+3) by 35.1%, taking 2018 as the base year.
- Validation of GHG emission reduction targets by SBTi planned for 2025.



SDG 12. RESPONSIBLE CONSUMPTION AND PRODUCTION

The Group promotes sustainable consumption and production practices at all its production centres.

Main contributions in 2024:

- Increased energy efficiency in its production centres, reducing natural gas consumption per tonne of product by 5.4% in 2024 compared to the previous year (4.2% in 2023) and by 21.2% compared to 2018.

f. Circular economy

As part of the Company's commitment to sustainability, most of the manufacturing processes at the Group's production centres recover paper that is generated internally, as wastage, during the production process. This action seeks to promote efficiency in the use of resources and contribute to a circular economy.

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In addition, the Group manages its waste through authorised waste management companies, strictly following the waste management hierarchy: Prevent, Reuse, Recycle, Recover and, as a last resort, Dispose. This approach is in line with the principles of the circular economy, which seeks to maximise the use of resources and therefore minimise waste generation.

kg waste/t prod	2023	2024	Variation 2023-2024
Hazardous waste	2.28	2.69	+17.9%
Non-Hazardous waste	103.63	106.38	+2.7
Total	105.91	109.07	+3.0

In 2024, there was an increase in hazardous waste generation per tonne of product. This increase was mainly attributable to the replacement of asbestos roofs at the facilities, one of the investments not linked to the production process mentioned in the initial sections of the report. The increase in waste is considered a one-off event and is expected to decrease again by 2025.

With regard to the destination of the waste generated, the following table shows that only a residual amount is managed by disposal.

kg waste/kg total waste	2023	2024	Variation 2023-2024
Recovered waste	98%	98%	-0.4%
Waste disposed of	2%	2%	+25.6%

Although there has been a slight decrease in the amount of waste recovered, it should be noted that the recovery rate remains well above the disposal rate, demonstrating a sustainable and environmental commitment to keeping waste in the production cycle and reducing the amount of waste sent for disposal.

POLCAM and PRSAM01 analyse the annual generation of hazardous and non-hazardous waste by each centre in the Group and, when this generation is significant, specific reduction targets are set.

On the one hand, among the measures defined to reduce the generation of non-hazardous waste, the following actions stand out:

- Maximising the use of paper waste generated in the factories themselves by reintegrating it into the production process and promoting the circular economy, in order to reduce paper waste generation. Optimising the sludge dehydrating system in order to minimise the generation of wet sludge and increase its potential recovery.

On the other hand, the Group seeks to minimise hazardous waste by establishing measures to reduce it in all centres that generate more than 10 tonnes per year, including:

- Optimisation of purchases of hazardous products.
- Product stock control.
- Correct segregation of packaging.
- Use of larger capacity packaging and containers.
- Efficient management of maintenance plans and cleaning procedures for equipment and facilities.
- Replacement of conventional lighting with LED technology to reduce fluorescent waste.
- Periodic review of the condition of packaging and containers for raw materials, products and waste.
- Staff training and awareness.

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As a result of the efforts made, the Hazardous Waste Minimisation Plans (HWMP) for the production centres to which they apply have achieved 81% compliance with the defined objectives. This achievement is attributed to the implementation of good waste management practices and the measures set out in the HWMP.

For the period 2021-2024, the Group established targets for minimising hazardous waste, including reducing fluorescent waste by between 70% and 77%, absorbent material by 37% and packaging containing traces of hazardous substances by 10%, among others. Furthermore, in cases where it is not considered feasible or possible to reduce the generation of this type of waste, the Group remains committed, as part of its strategy, to stabilising its generation.

With regard to the risks associated with plastic, in 2024 the Miquel y Costas Group continued its analysis and establishment of goals linked to the responsible use of plastics, both in direct operations and in the supply chain, focusing on the material used in the packaging of the products marketed and in the composition of certain qualities, as well as the impacts related to their use.

Aware of the environmental impact of goods related to plastic materials at the Group's different centres, the Company has made a firm commitment to the sustainable management of these materials. On the one hand, it complies with current regulations, through the tax on non-reusable plastic packaging and by issuing the Annual Declaration of packaging and filters annually in the companies where it applies in accordance with Law 7/2022, on waste and contaminated soils for a circular economy. In addition, for the management of packaging and filters, the Group has adhered to the SCRAP (Collective System of Extended Producer Responsibility) indicated below:

- Ecoembes: for household and commercial packaging.
- Cartón Circular: for industrial packaging
- Ávora: for filter management.

On the other hand, beyond regulatory compliance, the Group perceives more opportunities than risks. Among these opportunities, it is actively pursuing the substitution of synthetic materials with more sustainable alternatives, such as cellulose. In this context, the Group is closely following the implications of the Packaging and Packaging Waste Regulation (PPWR). This new regulation applies to all EU countries and aims to drastically reduce the generation of packaging waste and limits the use of plastics, mandating the use of compostable packaging for a small number of products such as tea bags and coffee filters. In addition, it seeks to encourage the responsible use of plastic in all the Company's production centres in order to promote a circular and sustainable economy.

In addition, in order to promote its commitments linked to sustainable development, the following SDGs are identified as SDGs to which the Company contributes in its circular economy strategy:



SDG 12. RESPONSIBLE CONSUMPTION AND PRODUCTION

The Group promotes sustainable consumption and production methods at all its production sites. Offering environmentally friendly and high quality products.

Main contributions in 2024:

- 98% recovery rate of waste generated by the Group's activities in 2024, including plastic waste.



SDG 14. UNDERWATER LIFE

Plastic poses a significant threat to marine life and aquatic ecosystems. The Group recognises the importance of preserving aquatic ecosystems and preventing the loss of biodiversity. In this context, it aims to have a positive impact on the natural environment in the areas where it operates.

Main contributions in 2024:

- Projects to replace acetate filters with cellulose material: progress has been made in the phases of industrialisation and market introduction of different qualities of cellulose filters with the aim of obtaining characteristics similar to those of acetate filters. This initiative aims to reduce the use of single-use plastics and minimise the environmental impact of tobacco filters, thus contributing to sustainability in the industry.

g. Sustainable use of water

Water plays a fundamental role in the manufacturing process in the paper sector, acting both as a means of transport and to facilitate the physic-chemical reactions necessary in the production of pulp and paper. Despite its high apparent consumption, the paper industry consumes only a small percentage of the water collected and most of it is returned to the receiving environment. For this reason, and as indicated in the Voluntary Agreement of the Ministry of the Environment with the Spanish Association of Pulp, Paper and Cardboard Manufacturers, ASPAPEL (2009), the paper industry is not strictly classified as a ‘consumer’ of water but as a user of this resource.

Most of the water extracted for use in the production process comes from natural sources (wells and springs) whose concessions for use belong to the Miquel y Costas Group. Each production centre has water treatment and fibre recovery plants. The recovered fibres are also reincorporated into the production process, contributing to a circular economy.

The origin of the water extracted for all the Group's production centres is shown in the table below:

m³/t prod	2023	2024	Variation 2023-2024
Underground water	22.79	19.64	-13.8%
Municipal water	0.109	0.097	-11.2%
Total	22.90	19.74	-13.8%

The significant variation observed is not only reflected in the good results of the investments implemented during the year 2024, but also the improvement in water efficiency in the production processes as a result of the increase in activity between the two periods.

The final discharge of water used in the production process is mainly into municipal sewers and natural effluents.

m³/t prod	2023	2024	Variation 2023-2024
Discharge	20.99	18.15	-13.5%

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The Miquel y Costas Group, aware of the importance of water, integrates Water Security into the centre of the organisation's strategy and promotes its sustainable management internally and at all levels, as well as the integration of the water saving and quality assurance policy into the business model. As a result, the Head of the Water Cycle, the Directors of the Factories and Production, as well as the Chief Executive Officer and the Director General include as part of their annual objectives the increase of water resilience and its efficient management. In addition, annual financial incentives are set in order to encourage the achievement of these defined objectives.

The Water Committee, established in 2015, has been the driving force in defining and implementing the Group's water strategy and as a result, the Annual Water Reduction Plan is in place and implemented. The committee, chaired by the Chief Executive Officer and the General Director, meets periodically throughout the year to assess the status of water-related issues, review performance against established objectives and define new targets, as well as approve new investments associated with water reduction and water sustainability. It is pertinent to mention that these authorities assume a key role in decision making and oversight of the development of the Plan considering current and future water demand trends.

Given the uncertainty surrounding water availability and the exposure of some of its production plants to the risk of drought, the Group pays special attention to water reuse. The organisation uses tools such as the WRI Aqueduct Water Risk Atlas to annually assess industrial risks, identifying the Company's facilities in water-stressed areas, as well as monitoring the needs of suppliers in water-stressed regions. During the year under review, only one of the Group's facilities was located in an area of high water-stress. In this regard, it is worth mentioning that the drought experienced in Catalonia in 2023 and prolonged in 2024 demonstrated the need to accelerate the implementation of measures in this area.

In order to anticipate water-related challenges, the Group also conducts annual water risk assessments of its operations and supply chain, following the enterprise risk management framework. Throughout the first quarter of the year, facility-level improvement plans are reviewed and updated by factory managers and approved by the Chief Executive Officer and General Director. Key issues from the previous year are analysed, stakeholder views and expectations are updated. In addition, the Group is supported by specialised external consultants as well as forestry-related entities such as ASPAPEL.

In line with its commitment to sustainability, the Group participates annually in the CDP Water Security questionnaire where it reports its water consumption, extraction and water cycle management data. This participation demonstrates the transparency, commitment, strategy and management of the Company in relation to its water footprint.

In 2024, the Miquel y Costas Group obtained a rating of A-, maintaining its 'Leadership' ranking for another year. This score reflects the good practices carried out in all production centres, as well as the identification of risks and opportunities and the implementation of new technologies in this area.

Rating	2023	2024
CDP Water Security	A	A-

As mentioned above, the CDP sectoral and regional benchmarks are still pending publication. Nevertheless, the high score obtained reflects the Group's efforts to promote sustainability, enhance the circular economy in all its processes and ensure transparent communication, placing it prominently as a global benchmark.

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In order to conserve water resources in a sustainable manner, the Water Reduction Plan establishes the following objectives:

- Water efficiency: the short-term priority set in the period 2014-2025 is related to the reduction of water extraction by 12% for the reduction of both absolute and intensive water stress linked to production. This target was already achieved in 2022.
- Waste reduction: A second target for the same period 2014-2025 relates to a 20% reduction in sludge generation by 2025 (base year 2014). This target was achieved in 2021 and is still in the consolidation phase, once again demonstrating the Group's commitment to promoting the circular economy and reducing the carbon footprint linked to sludge transport and management.
- Environmental safety: a target of zero environmental incidents at the Group's production centres has been set for the same period. Thanks to the Company's good practices, this target will again be achieved in 2024.

Likewise, in order to meet the established objectives, the Group continues to make efforts to carry out actions and implement new technologies, such as advanced filtration to achieve more efficient water reuse. In this regard, it is worth mentioning that the objectives defined are not limited to absolute measurements (m³/year) but also include specific indicators that allow progress to be measured in the reduction of the water footprint per tonne of product and product surface area.

To ensure compliance with these targets, the Group monitors a number of variables, including the amount of water withdrawn, the quality of water entering and leaving the process, the volume of discharges and the amount of water recycled in the production process.

The table below shows the level of compliance with the objectives for the period 2014-2025, with 2014 as the reference year:

	2014	2023	2024	Variation 2023-2024	Variation 2014-2024	Objective 2014- 2025
Water extracted (thousands m³)	2,271	1,953	1,800	-7.8%	-20.7%	-12.0%
Water extracted (thousands m³) / t product	0.025	0.023	0.020	-13.8%	-21.2%	
Water extracted (thousands m³) / km² product	0.888	0.785	0.698	-11.2%	-21.4%	
Environmental incidents	0	0	0	NA	NA	0
t sludge	5,485	3,931	4,489	14.2%	-18.2%	-20.0%
t sludge /t product	0.061	0.046	0.049	6.8%	-18.7%	

The Miquel y Costas Group, in its desire to reduce its water footprint, actively involves its supply chain. To this end, suppliers are evaluated from an environmental point of view and, among the Company's most relevant suppliers, those that are most aware of sustainability are identified by participating in the CDP Water Security questionnaire and reporting their results, as mentioned in the previous section on the circular economy.

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To ensure a sustainable raw material supply, the Company sets certain strict requirements for suppliers, with a special focus on wood pulp suppliers due to their high water impact. These requirements include compliance with ISO 9001, ISO 14001 and FSC and PEFC Chain of Custody certifications. The purchasing department conducts regular reviews to ensure compliance. The importance of Chain of Custody certifications for wood pulp suppliers is highlighted due to their contribution to sustainable water management and SDG 6) Clean Water and Sanitation.

In this regard, the Group identifies the Sustainable Development Goals (SDGs) to which it contributes, including the following in this area:



SDG 6. CLEAN WATER AND SANITATION

The Group is aware of the current problem of water scarcity and the value of this resource, which is why it promotes and pays special attention to the correct and efficient management of water in all its facilities.

Main contributions in 2024:

- Reduction of water consumption: a 20.7% reduction in fresh water consumption has been achieved in 2024 (base year 2014).
- Implementation of the Water Reduction Plan, established by the Water Committee.
- Sanitation: in 2024, as in the previous year, 100% of the organisation's employees were guaranteed access to safe sanitation services, including hand washing facilities with soap and water at all facilities.

h. Forest management and biodiversity

The Group uses mainly virgin wood pulp and non-wood fibres as raw materials, excluding other types of fibres used in the production process (synthetic fibres) and acquisitions between Miquel y Costas Group companies.

t fibre	2023	2024	Variation 2023-2024
Wood pulps and non-wood fibres	72.013	74.825	3,9%

The variation between 2023 and 2024 also reflects the significant increase in activity already mentioned in previous sections.

With the aim of actively collaborating with suppliers to address the environmental impact of raw materials, every year the certification of 100% of wood pulp suppliers is pursued through the FSC® and PEFC chain of custody, thus ensuring the responsible origin of the pulp purchased. These certifications apply the most demanding standards in terms of sustainability and the environment. It is important to reiterate that this objective has been met again in 2024, as mentioned in previous sections. In addition, the established PRCOM02 due diligence system, which guarantees the traceability of wood or wood pulp to its origin, continues to be rigorously implemented in all the raw material inputs mentioned.

In 2024, the Group participated for the fourth consecutive year in the CDP Forest questionnaire, reporting data on the management of forest-based raw materials used in its production centres. The score obtained in 2024 'A' is in the 'Leadership' range, reaffirming once again its commitment to corporate transparency and its outstanding performance in responsible forest management.

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Rating	2023	2024
CDP Forest	A	A

Furthermore, as mentioned above, although CDP benchmarks are not available at the time of preparing this report, the Company is positioned as a leader in the sustainable management of forest resources, as reflected in the maximum score obtained.

Summarising the results relating to the CDP in 2024, the Miquel y Costas Group has maintained its outstanding position by obtaining the rank of 'Leadership' in the CDP Climate Change (A), CDP Water Security (A-) and CDP Forest (A) questionnaires. This success places the Company among a small group of companies achieving excellence in all three areas of assessment. With the participation of more than 24,800 companies worldwide, the Group not only maintains its commitment to continuous improvement but also reaffirms its role as a benchmark in sustainability, consolidating its position at the forefront of the sector.



The Miquel y Costas Group is aware of the dependence of its speciality paper manufacturing companies on forest-based raw materials. In this sense, and in recognition of the global relevance of forests and other natural ecosystems, as well as the impact that business activity can have on them, the Group prioritises the following high-level commitments in the development of forest management aimed at environmental protection, in strict compliance and being more demanding than the legal requirements; in accordance with Chain of Custody standards:

- Commitment to eliminate deforestation
- Commitment to eliminate the conversion of natural ecosystems
- Commitment not to clear land through burning or clear-cutting
- Commitment to stakeholder awareness and engagement
- Commitment to respect the Free, Prior and Informed Consent (FPIC) of Indigenous Peoples.
- Commitment to compliance with fundamental labour rights, adopting the principles of the International Labour Organisation (ILO) of the United Nations.

In order to prevent deforestation risks, the annual Due Diligence System (DDS) is supervised by the corporate Purchasing Manager. This system applies to all wood pulp suppliers and in 2024 continues to comply with Regulation (EU) No 995/2010, until the entry into force of Regulation (EU) 2023/1115 delayed until December 2025. The DDS system also uses chain of custody standards such as PEFC and FSC to ensure responsible practices throughout the supply chain.

Collaboration with suppliers is central to addressing the environmental impact of raw materials. To this end, the DDS supervises and controls the validity of the FSC and PEFC certifications of 100% of the suppliers, carrying out a risk analysis and applying sanctions in the event of non-compliance. This system guarantees the traceability of the pulp back to the origin of the raw material. In addition, the Group is firmly committed to not using wood from unreliable or conflicting sources, such as wood that has caused environmental or social damage, as well as infringing on the rights or livelihoods of local communities. Any breach of this commitment by the supplier with respect to the requirements set out in the Chain of Custody Policy (POLCDC) leads to disciplinary action including suspension of supply. This policy is a public document available on the organisation's website.

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The most relevant risk identified from the purchase and management of timber products, and following an analysis of the needs and expectations of the company's stakeholders, is linked to the possible modification of climatic conditions, which could lead to disruptions in the supply chain.

In addition, new opportunities and targets have been identified in order to further advance the Group's commitment to forest management in the supply chain. Among these can be highlighted maintaining all pulp suppliers certified under FSC and PEFC standards, and increasing their level of participation and monitoring of the defined objectives.

In order to analyse the environmental commitment of suppliers, the Group collaborates annually with its most relevant suppliers, compiling information on GHG emissions, management of water resources in relation to the products supplied and actions implemented or planned to mitigate environmental impact. In addition, suppliers continue to be encouraged to participate in the CDP questionnaires and to communicate their results. The information derived from this questionnaire is increasingly integrated into the Group's purchasing decision-making processes, giving greater relevance to the environmental performance of suppliers in their selection.

In terms of biodiversity, the Miquel y Costas Group's production centres are not located in areas catalogued as protected or of high biodiversity value. Despite this, the Group recognises the importance of preserving natural ecosystems and the need to prevent the loss of biodiversity, which is why they take certain measures in this respect.

In this context, the Group reinforces its commitment to generate a positive impact on the natural environment in the areas where it operates. The commitments undertaken in the area of biodiversity are set out below:

- Commitment not to explore and/or develop activities in natural areas legally designated as protected.
- Commitment to respect natural areas legally designated as protected.
- Commitment to avoid negative impacts on threatened species or protected species in danger of extinction.
- Commitment not to convert natural areas of high conservation value.
- Commitment not to trade in species included in the appendices of the international CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora) treaty.

Consequently, several of the Group's production centres are monitored through the calculation of biodiversity indicators, such as the IBMWP (Biological Monitoring Working Party) biological index, which evaluates the state of the ecological quality and potential of river water. This indicator is analysed annually at the La Pobla de Claramunt and Tortosa facilities, as these discharge into public watercourses, in accordance with their relevant IEA.

This monitoring of water quality confirms that in 2024, in line with the results of 2023, the discharges made at both production centres do not have an impact on the biological quality of the rivers, and therefore have no effect on their biodiversity. In addition, with the aim of minimising the environmental impact of the operations of all the Group's production centres, there is a target for improving the quality of wastewater with more stringent requirements than at the legal level. It is established to maintain the parameters of COD, MES and pH at least 10% below the established levels, a goal achieved one more year in 2024 for all production centres.

In addition, the Group recognises that its greatest biodiversity impact is related to the supply chain. Likewise, it reaffirms the high-level commitments for the appropriate development of forest management mentioned above. It is relevant to note that the Miquel y Costas Group aligns itself with the objectives and targets of the Kunming-Montreal Global Biodiversity Framework, as stated in the Company's chain of custody policy.

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The Group also understands that sustainable forestry is a key tool in the fight against climate change. For this reason, despite not owning its own forests, the company actively contributes to this cause by sourcing forest-based raw materials, such as wood pulp and non-wood fibres, from responsible sources. In doing so, the group ensures the responsible supply of its production sites while supporting the preservation of ecosystems and natural habitats, and the reduction of greenhouse gas emissions associated with deforestation.

As mentioned in the sections on climate change and sustainable water use, the Group has historically made efforts to reduce its carbon and water footprint linked to its operations, demonstrating once again the sustainable management of resources. These actions contribute both to the protection of terrestrial ecosystems, reflected in its Chain of Custody Policy, and to the preservation of aquatic ecosystems, by including commitments to the quality of its wastewater. In addition, this approach supports climate change mitigation and thus biodiversity conservation.

The Miquel y Costas Group, committed to sustainable development, identifies the Sustainable Development Goals (SDGs) to which it contributes most significantly in the field of forest management and biodiversity:



SDG 15. LIFE OF TERRESTRIAL ECOSYSTEMS

The Group is committed to the preservation of forests and biodiversity, which is reflected in its Chain of Custody policy for the procurement of pulp and raw materials for all its production centres.

Main contributions in 2024:

- In line with the annual target, support and commitment to sustainable forestry and transparency in the supply chain is maintained by purchasing exclusively from FSC® and/or PEFC certified suppliers for wood pulp.



SDG 14. UNDERWATER LIFE

Plastic poses a significant threat to marine life and aquatic ecosystems. The Group recognises the importance of preserving them and preventing the loss of biodiversity. In this context, it aims to have a positive impact on the natural environment in the areas where it operates.

Main contributions in 2024:

- Improvement of water quality: The objective of improving wastewater quality beyond compliance requirements by at least 10% below the established limits for COD, MES and pH parameters at all facilities for 2024 is 100% met.

i. Sustainable finance taxonomy

On 18 June 2020 the European Parliament approved Regulation (EU) 2020/852 on establishing a framework to facilitate sustainable investments (a framework also known as Sustainable Finance Taxonomy), as an instrument to achieve the goal of a climate-neutral European Union by 2050.

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This taxonomy, which has entered into force in different phases until 2024, sets out a number of economic activities ('eligible' activities). However, for an eligible activity to be considered environmentally sustainable because it is in line with the ('aligned') taxonomy, it has to:

1. Make a substantial contribution to at least one of the environmental objectives defined by the EU (climate change mitigation; adaptation to climate change, sustainable use and protection of water and marine resources; transition to a circular economy, prevention and control of pollution and restoration of biodiversity and ecosystems);
2. Not significantly harm the remaining environmental objectives; and;
3. Comply with a minimum of social safeguards.

The Miquel y Costas Group has defined a work process that involves the different companies and businesses of the Group and which has allowed it to carry out the exercise of classifying its activities as 'eligible' and/or 'aligned' in accordance with the criteria established by the aforementioned European taxonomy.

a) Eligibility analysis

The Group's principal activity is the manufacture of fine and speciality low-grammage papers. After analysing the activities included in Annexes I and II of Delegated Regulation 2021/2139, Delegated Regulation 2022/1214 of 9 March 2022 and Annexes I, II, III and IV of Delegated Regulation 2023/2486 of 27 June 2023, it can be seen that these activities are focused on sectors whose exercise involves direct mitigation/adaptation of climate change. As a consequence of the above, these regulations do not include the Group's main activity as eligible.

However, the Group carries out the following activities, linked to the field of energy generation, which can be considered as eligible because of their link to climate change mitigation:

- o 4.1 Electricity generation by solar photovoltaic technology
- o 4.24 Heat/cold production from bioenergy

a) Alignment analysis

The process of determining the alignment of activities identified as 'eligible' by the Sustainable Finance Taxonomy starts by checking compliance with the criteria of substantial contribution to climate change mitigation (see table on next page). Once eligible activities have been identified, compliance with the do no significant harm criteria (DNSH) is validated with respect to the different environmental objectives (climate change adaptation, water resources, pollution, circular economy and biodiversity). Finally, the appropriate checks are carried out to determine that Miquel y Costas complies with the so-called minimum social safeguards (OECD guidelines for multinational companies, the United Nations Guiding Principles on Businesses and Human Rights and the International Bill of Human Rights).

- 1) Substantial contribution technical criteria: The Taxonomy establishes different types of substantial contribution criteria. Thus, the activities identified by the Miquel y Costas Group are classified according to the following criteria: Nature of the activity and GHG emissions savings threshold.

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The following table summarises the degree of compliance with the criterion of substantial contribution to climate change mitigation in each of the activities identified:

Code	Economic activity	Nature of the activity	GHG emissions saving threshold
4.1	Electricity generation using photovoltaic solar technology		
4.24	Heat/cooling production from bioenergy		

Activity 4.24 Production of heat/cooling from bioenergy does not meet the substantial contribution criteria as it cannot certify that the GHG emission savings reach the 80% established by the taxonomy. Despite not meeting the substantial contribution criteria determined by the taxonomy, it does comply with all the legal and environmental requirements established in the legislation in force.

- 2) Do no significant harm criterion: The Miquel y Costas Group has developed an analysis for each of the activities that meet the technical criteria of substantial contribution to determine that these activities are not causing significant harm to any of the other environmental objectives. Based on the above, in accordance with Annexes I and II of Delegated Regulation 2021/2139 of 4 June 2021 and Annexes I, II, III and IV of Delegated Regulation 2023/2486 of 27 June 2023, compliance with the specific requirements requested has been reviewed for each activity.
- 3) Minimum guarantees: The Miquel y Costas Group is firmly committed to complying with the minimum safeguards set out in the terms elaborated in Taxonomy Regulation (2020/852) and in the documents published by the European Commission, which are grouped into four large thematic areas: Human Rights, Corruption, Taxation and Fair Competition. With this in mind, the Group is taking the necessary and appropriate actions to ensure compliance as described in the section on 'Respect for human rights' in this document.

In any case, bearing in mind that eligible activities are limited (due to the Group's business model and the current limitation of the list of activities in the Taxonomy to those with the potential to make a substantial contribution to climate change mitigation and adaptation), it has been concluded that the level of alignment for the 2024 financial year is 0%, as the Group continues to ensure compliance with the established requirements.

a) [Calculation of the main indicators](#)

A) Calculation of the % of turnover

The key indicator relating to turnover is calculated as the ratio of revenue from eligible activities (numerator) to the company's total revenue (denominator). This revenue corresponds to that recognised in accordance with International Accounting Standard (IAS) 1, paragraph 82, letter(a), adopted by Commission Regulation (EC) No 1126/2008. The denominator of this key indicator is shown in note 18, 'Net turnover and other operating income,' of the notes to the consolidated financial statements for the 2024 financial year.

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Eligible activities involving electricity generation through solar photovoltaic technology and heat/cooling production from bioenergy did not generate income in 2023 and 2024, as the energy and heat/cooling generated in the Group's production processes are used for their own consumption.

B) CAPEX

This indicator is obtained as the ratio of fixed assets invested in eligible economic activities (numerator) to total assets acquired during the 2024 financial year (denominator). This denominator (total CapEx) is obtained as the additions to tangible and intangible assets before depreciation, amortisation, revaluations and value impairment, excluding changes in fair value.

It also includes additions resulting from business combinations. Total CapEx will therefore cover costs that are registered in accounts for in accordance with:

- a) IAS 16 Tangible fixed assets, paragraph 73, letter e), subparagraphs i) and iii);
- b) IAS 38 Intangible Assets, paragraph 118, letter e), subparagraph i);
- c) IAS 40 Property Investment, paragraph 76, letters a) and b) (for the fair value model);
- d) IAS 40 Property Investment, paragraph 79, letter d), subparagraph i) and ii), (for the cost model);
- e) IAS 41 Agriculture, paragraph 50, letters b) and e);
- f) IFRS 16 Leases, paragraph 53, letter h).

In accordance with the consolidated financial statements, total CapEx is shown in notes 4 and 5 of the 2024 notes to the consolidated financial statements and corresponds to additions during the year.

The Miquel y Costas Group is committed to sustainability by implementing renewable energy generation measures at its facilities and producing cooling/heating from black liquors (bioenergy). Therefore, the numerator has been calculated as the monetary sum of the Group's investments in these measures for each of the eligible activities.

C) OPEX

This indicator is defined as the ratio of eligible taxonomic OpEx (numerator) to total taxonomic OpEx (denominator). This denominator reduces total operating expenses to direct non-capitalised costs related to research and development, building renovation measures, short-term leases, maintenance and repairs, as well as other direct expenses related to the daily maintenance of tangible fixed assets by the company or a third party to whom activities are outsourced and which are necessary to ensure the continued and effective operation of such assets. What is more, the numerator of this indicator would include the operating expenses included in the denominator that were allocated to eligible activities.

The only expenses associated with the activities identified as eligible are those for the maintenance of the photovoltaic panels, which are not significant in the financial year ended 31 December 2024. In addition, the direct non-capitalised costs included in the European taxonomy, i.e. those included in the denominator, represent less than 5% of the Group's total operating expenses. Therefore, their value is considered immaterial and, in accordance with section 1.1.3.2 of Annex I of Delegated Regulation 2021/2178 of 6 July 2021, the numerator of the indicator is reported as 0.

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NET TURNOVER	Financial year 2024	Year 2024	Criteria for lack of material damage ("does not cause material damage") (h)										Proportion of turnover conforming to taxonomy (A.1) or eligible according to taxonomy (A.2), year (h-1) (18)	Facilitating activity category (19)	Transition activity category (20)		
			Substantial contribution criteria					Criteria for lack of material damage ("does not cause material damage") (h)									
Economic activities	Codes (e) (2)	Turnover (3) Turnover in year N (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum guarantees (17)		
MIQUEL Y COSTAS & MIQUEL, S.A. AND SUBSIDIARIES		Thousands €	SAI AMEI	SAI AMEI	SAI AMEI	SAI AMEI	SAI AMEI	SAI AMEI	SAI AMEI	SAI AMEI	SAI AMEI	SAI AMEI	SAI AMEI	SAI AMEI	S	F	T
A. ELIGIBLE ACTIVITIES ACCORDING TO TAXONOMY																	
A.1. Environmentally sustainable activities (conforming to the taxonomy)																	
Turnover from environmentally sustainable activities (conforming to the taxonomy) (A.1)																	
		0	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		
Of which: facilitator																	
		0	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	F	
Of which: transitional																	
		0	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (activities that do not conform to the taxonomy)																	
Turnover from taxonomy-eligible but not environmentally sustainable activities (activities that do not conform to the taxonomy) (A.2)																	
		-	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		
A. Turnover from eligible activities according to taxonomy (A.1 + A.2)																	
		-	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%		
B. INELIGIBLE ACTIVITIES ACCORDING TO TAXONOMY																	
Turnover from non-taxonomy-eligible activities (B)																	
		308.319	100,00%														
Total (A + B)		308.319	100,00%														

Proportion of turnover / Total turnover	
	that conforms to taxonomy by objective
CCM	0,00%
CCA	0,00%
WTR	0,00%
CE	0,00%
PFC	0,00%
BIO	0,00%

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Economic activities (1)	Year 2024		Criteria for lack of material damage ("does not cause material damage" (h))										Proportion of turnover conforming to taxonomy (A.1) or eligible according to taxonomy (A.2), year N-1 (18)	Facilitating activity category (18)	Transition activity category (20)					
	Codes (a) (2)	CapEx (3)	Proportion of CapEx, year N (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)				Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum guarantees (17)	
MIQUEL Y COSTAS & MIQUEL, S.A. AND SUBSIDIARIES		Thousands	%	S/M /N/E/L	S/M /N/E/L	S/M /N/E/L	S/M /N/E/L	S/M /N/E/L	S/M /N/E/L	S	S	S	S	S	S	S/M /N/E/L	%	F	T	
A. ELIGIBLE ACTIVITIES ACCORDING TO TAXONOMY																				
A.1. Environmentally sustainable activities (conforming to taxonomy)																				
CapEx of environmentally sustainable activities (conforming to taxonomy) (A.1)																				
CP which facilitates																				
CP which transitional																				
CP which enabling																				
A.2 Taxonomy-eligible but not environmentally sustainable activities (activities that do not conform to taxonomy)																				
Electricity generation by photovoltaic solar technology	CCM 4.1 / DEA 4.1	398	1,98%	EL	NEL	NEL	NEL	NEL	NEL	0,00%	0%	0%	0%	0%	0%	0%	0%			
Heatcooling production from bioenergy	CCM 4.24 / DCA 4.24	3.579	14,21%	EL	NEL	NEL	NEL	NEL	NEL	0,00%	0%	0%	0%	0%	0%	0%	3,80%			
CapEx of eligible activities according to the taxonomy, but not environmentally sustainable activities that do not conform to taxonomy (A.2)		3.977	15,79%	15,79%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	6,20%			
CapEx of eligible activities according to taxonomy TAXONOMY		3.977	15,79%	15,79%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	6,20%			
B. THE DIGIBLE ACTIVITIES ACCORDING TO THE TAXONOMY																				
CapEx of ineligible activities according to taxonomy (B)																				
Total (A + B)																				
		21.202	84,21%																	
		25.179	100%																	

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DPEX	Financial year 2024		Criteria for lack of material damage ("does not cause material damage") (1)											Proportion of turnover conforming to taxonomy (A.1) or eligible according to taxonomy (A.2), year N (1)(8)	Facilitating activity category (19)	Transition activity category (20)	
	Year 2024	Year 2024	Substantial contribution criteria					Criteria for lack of material damage ("does not cause material damage") (1)									
Economic activities (1)	Codes (a) (2)	DPEX (3)	Share of DPEX year N (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum guarantees (17)	
		Thousands /	%	S/MV/EL	S/MV/EL	S/MV/EL	S/MV/EL	S/MV/EL	S/MV/EL	S	S	S	S	S	S	%	
MIQUEL Y COSTAS & MIQUEL, S.A. AND SUBSIDIARIES																	
A. ELIGIBLE ACTIVITIES ACCORDING TO TAXONOMY																	
A.1. Environmentally sustainable activities (conforming to taxonomy)																	
<i>DPEX of environmentally sustainable activities (conforming to taxonomy) (A.1)</i>																	
		-	0.00%	0%	0%	0%	0%	0%	0%	S	S	S	S	S	S	%	
<i>Of which: Enablers</i>																	
		-	0.00%	0.00%	0%	0%	0%	0%	0%	S	S	S	S	S	S	%	F
<i>Of which: Transitional</i>																	
		-	0.00%	0.00%	0%	0%	0%	0%	0%	S	S	S	S	S	S	%	
A.2. Taxonomy-eligible but not environmentally sustainable activities (activities that do not conform to taxonomy)																	
	CCM 4.1/ CCA 4.1	-	0.00%	EL	NEL	NEL	NEL	NEL	NEL	EL	NEL	NEL	NEL	NEL	NEL	n.a.	
	CCM 4.24/ CCA 4.24	-	0.00%	EL	NEL	NEL	NEL	NEL	NEL	EL	NEL	NEL	NEL	NEL	NEL	%	
<i>Heat/cold production from bioenergy</i>																	
<i>Electricity generation by photovoltaic solar technology</i>																	
<i>DPEX of taxonomy-eligible activities but not environmentally sustainable (activities that do not conform to taxonomy) (A.2)</i>																	
	A. DPEX of eligible activities according to taxonomy (A.1 + A.2)	-	0.00%	0.00%	0%	0%	0%	0%	0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	%	
B. INELIGIBLE ACTIVITIES ACCORDING TO THE TAXONOMY																	
<i>DPEX of ineligible activities according to taxonomy (B)</i>																	
		77.885	100.00%														
Total (A + B)		77.885	100%														

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3. Social and personnel-related issues

The average number of people employed during this financial year was 889 (average number of people employed in 2023: 883) and the total number of employees in the Miquel y Costas Group at the close of FY2024 was 896 (886 employees at the close of FY2023).

It should be noted that, in 2024, an extension of the ERTE (temporary layoff plan) was implemented at the Mislata factory for production reasons, the negotiation of which was concluded in December 2023 with the result of 'agreed', for a total of 66 days of suspension and affecting 57 workers, covering the period from 01/01/2024 to 31/12/2024, and applicable based on the factory's production load. Likewise, on 31/08/2024, the application of the ERTE for production reasons that was negotiated and concluded with the result of 'agreed' at the Clariana, S.A. factory, for a total of 180 days of suspension and affecting 40 workers for a period from 01/08/2023 to 31/08/2024, and applicable based on the production load.

For reporting purposes, and given the stability of the workforce, the number of employees at the end of the 2023 and 2024 financial years is used, classified by gender and professional category as indicated below:

Classification per gender and professional category	Men 2023	Women 2023	Total 2023	Men 2024	Women 2024	Total 2024
Board members	1	0	1	1	0	1
Senior Management	7	3	10	8	3	11
Directors	25	1	26	23	2	26
Supervisors and middle managers	82	10	92	84	10	93
Adm. Personnel	81	89	170	84	93	177
Prod. personnel	452	135	587	443	145	588
Total	648	238	886	643	253	896

The classification by age and gender at the end of the 2023 and 2024 financial years is as follows:

Classification by age and gender	Men 2023	Women 2023	Total 2023	Men 2024	Women 2024	Total 2024
<= 20	1	0	1	0	0	0
from 21 to 30	61	13	74	56	14	70
from 31 to 40	96	34	130	102	36	138
from 41 to 50	224	89	313	220	91	311
from 51 to 60	220	89	309	216	96	312
>= 61	46	13	59	49	16	65
Total	648	238	886	643	253	896

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The distribution by country at the end of the 2023 and 2024 financial years is as follows:

Distribution per country	Men 2023	Women 2023	Total 2023	Men 2024	Women 2024	Total 2024
Spain	633	211	844	623	222	845
Argentina	13	25	38	18	29	47
Chile	0	2	2	0	2	2
Germany	1	0	1	2	0	2
Philippines	1	0	1	0	0	0
Total	648	238	886	643	253	896

With regard to the company Miquel y Costas & Miquel, S.A., the number of employees at the end of the 2023 and 2024 financial years is as follows:

Classification per gender and professional category	Men 2023	Women 2023	Total 2023	Men 2024	Women 2024	Total 2024
Board members	1	0	1	1	0	1
Senior Management	6	3	9	7	3	10
Directors	9	1	10	8	2	10
Supervisors and middle managers	47	5	52	47	5	52
Adm. Personnel	49	50	99	48	53	101
Prod. Personnel	228	102	330	223	107	330
Total	340	161	501	334	170	504

The labour and human resources development policy has several guiding principles, the most important of which is non-discrimination, accompanied by respect for the rights and dignity of individuals (without distinction of gender), adherence to the guiding principles of integrity, honesty and responsible conduct, and the rejection of any form of discrimination.

It is also of considerable importance to have access to information on the state of the climate of the companies that make up the Group, in order to be able to carry out better and more appropriate management using criteria that incorporate any aspects that may be critical or considered relevant to maintaining good performance and continuing to work steadily towards continuous improvement. To this end, several tools are available that provide the desired information through various channels. These are:

- 1- Planning of Surveys carried out periodically, twice a year, so that all Group companies are surveyed every four years.
- 2- In addition, there is a complaints box that can also be used to submit suggestions. These suggestions can be submitted via this channel or in the section provided for this purpose in the surveys mentioned in point 1.

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3- On an annual basis, Senior Management and Functional Departments establish objectives or incentives, which are communicated to the teams and the results of which are evaluated at the end of the year in Management by Objectives and/or incentive follow-up meetings.

4- Finally, as a listed company, the information is public and freely accessible, so any employee may access it if they wish.

In accordance with its guiding principles and pursuant to Law 3/2007 on effective equality between men and women, the parent company has an Equality Plan aimed at contributing to the elimination of gender-based discrimination in the workplace. This plan includes the implementation of measures that promote the recruitment, retention and development of people with the aim of:

- Promote balanced participation between women and men at all levels of the business organisation.
- Promote measures that favour a good work-life balance.
- Deal with any incident that may arise from harassment, whether sexual or gender-based, with full guarantees.

In this regard, the company has implemented an internal procedure for the prevention of sexual or gender-based harassment in the workplace, which aims to prevent and discourage and, where appropriate, severely punish any act of harassment that occurs within the company.

The total number and distribution of employment contracts for the entire Group in the 2023 and 2024 financial years was as follows:

Classification per contract	Men	Women	Total	Men	Women	Total
	2023	2023	2023	2024	2024	2024
Indefinite-term contract	73%	27%	94%	73%	27%	96%
Temporary contract	80%	20%	6%	50%	50%	4%
Total	73%	27%		72%	28%	

At the end of the financial year, there were only three part-time contracts (one at Miquel y Costas & Miquel, one at Clariana, S.A. and one at Celulosa de Levante, S.A.). The rest of the employees working less than 100% full-time hours are those who have reduced working hours or are in partial retirement.

In the case of the individual company Miquel y Costas & Miquel, S.A., the number and distribution of contracts in the FY2023 and FY2024 was as follows:

Classification per contract	Men	Women	Total	Men	Women	Total
	2023	2023	2023	2024	2024	2024
Indefinite-term contract	67%	33%	96%	67%	33%	96%
Temporary contract	82%	18%	4%	37%	63%	4%
Total	68%	32%		66%	34%	

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The annual distribution by age range of indefinite-term and temporary contracts in Group companies was as follows:

Contract classification per age	Indefinite 2023	Temporary 2023	Total 2023	Indefinite 2024	Temporary 2024	Total 2024
<= 20	0	1	1	0	0	0
from 21 to 30	54	20	74	62	8	70
from 31 to 40	124	6	130	126	12	138
from 41 to 50	297	16	313	298	14	312
from 51 to 60	303	6	309	307	4	311
>= 61	59	0	59	65	0	65
Total	837	49	886	858	38	896

Distributed by category and gender in 2024, it is as follows:

Classification per gender and professional category	Men		Women		Men
	Temporary	Indefinite	Temporary	Indefinite	
Executive board members	0	1	0	0	1
Senior Management	0	8	0	3	11
Directors	0	23	0	2	25
Supervisors and middle managers	0	84	1	9	94
Administrative and technical personnel	6	78	7	86	177
Production personnel	13	430	11	134	588
Total	19	624	19	234	896

97.05% of the Group's male employees have permanent contracts, while this ratio drops to 92.49% for female employees.

The distribution by category and gender in 2023 was as follows:

Classification per gender and professional category	Men		Women		Total
	Temporary	Indefinite	Temporary	Indefinite	
Executive board members	0	1	0	0	1
Senior Management	0	7	0	3	10
Directors	0	25	0	1	26
Supervisors and middle managers	2	80	0	10	92
Administrative and technical personnel	9	72	5	84	170
Production personnel	28	424	5	130	587
Total	39	609	10	228	886

95.80% of the Group's female employees have permanent contracts, while this ratio falls to 93.98% for male employees.

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During 2023 and 2024, the number of dismissals by age, gender and professional classification for national companies is detailed in the following tables:

Dismissals per gender and age	Men 2023	Women 2023	Total 2023	Men 2024	Women 2024	Total 2024
<=20	0	0	0	0	0	0
From 21 to 30	3	0	3	0	1	1
From 31 to 40	4	0	4	4	1	5
From 41 to 50	1	2	3	4	0	4
From 51 to 60	2	0	2	4	0	4
>=61	0	0	0	0	0	0
Total	10	2	12	12	2	14

* Data on foreign subsidiaries has not been included.

Dismissals per professional classification and gender	Men 2023	Women 2023	Total 2023	Men 2024	Women 2024	Total 2024
Executive board members	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0
Directors	0	0	0	0	0	0
Supervisors and middle managers	1	0	1	1	0	1
Administrative Personnel	2	2	4	0	1	1
Production personnel	7	0	7	11	1	12
Total	10	2	12	12	2	14

* Data on foreign subsidiaries has not been included.

The remuneration of all Group employees complies with all statutory obligations established in the collective agreements in force. At the same time, certain groups of employees are entitled (subject to certain conditions) to contributions to social welfare plans, variable remuneration and incentives linked to the achievement of certain objectives, access to the company's share option plan (the one currently in force is in the period of exercise) and life insurance.

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The average gross remuneration broken down by gender, age and professional classification for national companies was as follows:

2024		MEN		WOMEN		Difference
	Age	Average salary	Age	Average salary		
Board Members	<=30		<=30			
	31-49		31-49			
	>=50		>=50			
		527.704,08				
Senior Management + Directors	<=30		<=30			
	31-49	115.442,97	31-49	156.751,36		
	>=50	154.052,89	>=50	151.988,93		7%
		142.843,56		152.941,42		
Supervisors and middle managers	<=30		<=30			
	31-49	59.666,54	31-49	53.398,24		
	>=50	68.152,89	>=50	50.500,17		-20%
		65.876,06		52.432,22		
Technical and Admin	<=30	28.323,27	<=30	26.596,82		
	31-49	40.844,72	31-49	32.543,20		
	>=50	54.338,21	>=50	44.340,54		-11%
		42.613,52		38.041,52		
Production personnel	<=30	30.098,86	<=30	21.520,87		
	31-49	33.611,02	31-49	26.485,77		
	>=50	37.874,72	>=50	24.648,69		-28%
		35.026,79		25.370,32		
Production personnel not continuous	<=30	21.243,96	<=30	18.047,13		
	31-49	28.256,37	31-49	25.920,84		
	>=50	29.743,49	>=50	26.595,00		-7%
		28.201,38		26.197,26		

(*) boxes with a grid contain information on a single person

(1) The difference between men and women in the 'Managers and Middle Managers' group: the group of men has longer service than the group of women in the over-50 age bracket. In the group of women, there is a higher percentage of middle managers. Furthermore, the two groups are not quantitatively comparable.

(2) The difference between men and women in the 'Technical and Admin' group: the group of men consists of sales representatives and engineers, while the group of women consists of administrative staff and commercial assistants.

(3) The difference between men and women in the 'Production staff' group: in the women's group, there is a group that does not receive shift rotation pay, while the men's group consists of operators of all categories. Furthermore, the two groups are not quantitatively comparable.

(4) The difference between men and women in the 'Non-continuous production staff' group: the men's group includes gluers and maintenance workers.

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The average remuneration broken down by gender, age and professional classification for national companies in the previous financial year was as follows:

2023		MEN		WOMEN		Difference
	Age	Average salary	Age	Average salary		
Board Members	<=30			<=30		
	31-49			31-49		
	>=50			>=50		
Sen. Management + Directors	<=30			<=30		
	31-49	113.581,27		31-49	117.850,00	8%
	>=50	153.642,08		>=50	189.259,50	
	142.011,52			153.860,61		
Supervisors and middle managers	<=30			<=30		
	31-49	57.066,64		31-49	54.388,74	-18%
	>=50	65.292,64		>=50	47.990,31	
	62.861,54			51.544,99		
Technical and Admin	<=30	28.072,74		<=30	24.600,45	
	31-49	41.502,50		31-49	32.173,94	-14%
	>=50	50.520,22		>=50	44.040,70	
	41.734,73			35.894,48		
Production personnel	<=30	29.381,43		<=30	23.263,50	
	31-49	34.108,40		31-49	30.577,91	-18%
	>=50	38.170,26		>=50		
	35.094,46			28.713,36		
Production personnel not continuous	<=30	19.282,27		<=30	16.044,97	
	31-49	25.898,13		31-49	25.050,30	-4%
	>=50	28.618,68		>=50	25.403,82	
	26.239,67			25.177,86		

(*) boxes with a grid indicate information for a single person

(1) The difference between men and women in the 'Senior Management + Directors' group is due to the fact that the women's group has a higher proportion of senior management members, unlike the men's group, which has a majority of directors

(2) The difference between men and women in the 'Managers and Middle Management' group: the group of men has greater seniority than the group of women in the over-50 age bracket. Furthermore, the two groups are not quantitatively comparable.

(3) The difference between men and women in the 'Technical and Admin' group: the group of men is made up of salespeople and engineers, while the group of women is made up of administrative staff and commercial assistants.

(4) The difference between men and women in the 'Production personnel' group aged 31 to 49: women are mostly workers, while the group of men consists of operators of all categories. Furthermore, the two groups are not quantitatively comparable.

Information on Board members' and Directors' remuneration can be found in the Annual Corporate Governance Report which forms part of the Annual Accounts for FY2024, and also in the Board members' Remuneration Report, both of which are available on the corporate website below:

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With regard to the average remuneration of Directors, including all items established by law, the details are as follows:

Senior Management + Directors 2024	Men	Women
	142,843.56	152,941.42

Senior Management + Directors 2023	Men	Women
	142,011.52	153,860.61

With regard to the employment of persons with disabilities, the data relating to gender and type of contract in national companies for the financial years 2023 and 2024 were as follows:

People with a disability per category and gender	Men 2023	Women 2023	Total 2023	Men 2024	Women 2024	Total 2024
Executive board members	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0
Directors	1	0	1	1	0	1
Supervisors and middle managers	0	0	0	0	0	0
Admin. Personnel	0	1	1	0	1	1
Production personnel	3	1	4	3	1	4
Total	4	2	6	4	2	6

* Data on foreign subsidiaries is not included.

The Miquel y Costas Group complies (with the exception of Terranova Papers, which is currently undergoing review) with all the requirements of current legal provisions, including those relating to the rights of persons with disabilities. In this case, and in order to comply with the General Law on the Rights of Persons with Disabilities and their Social Inclusion, given the special nature and complexity, from the perspective of occupational safety, of jobs in the paper industry, the parent company and one of its subsidiaries have opted to apply for a certificate of exceptionality, with the rest of the companies complying with their own staff. This option and legal alternative allows for compliance with current legal provisions by contracting certain production work with Special Employment Centres, an option that involves assistance and collaboration in job creation through the aforementioned Centres. No adaptations of workplaces for persons with disabilities have been carried out.

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The data relating to absenteeism for the financial years 2023 and 2024 includes hours lost due to illness, work-related accidents and maternity or paternity leave:

Hours of absenteeism	Hours 2023	Hours 2024
Hours of absenteeism for Temporary Disability	77,453.74	86,040.72
Hours of absenteeism for health contingencies derived from Covid-19	15.50	0.00
Hours of absenteeism for Occupational Accident	7,259.33	8,140.39
Hours of absenteeism for maternity/paternity	9,442.83	8,407.22

** Data on foreign subsidiaries is not included.*

The work schedules in force apply to all employees and are in line with the legislation of each country. The measures aimed at facilitating work-life balance and encouraging both parents to exercise their responsibilities are all those included in current labour legislation, such as reduced working hours for childcare, leave of absence, etc. Office staff have flexible working hours, and with regard to production, working hours are organised in rotating morning, afternoon and night shifts and on a non-stop basis (as appropriate for each production centre).

The regulation and organisation of work is carried out in accordance with collective agreements, with the State Collective Agreement for the pulp, paper and cardboard sector, the State Collective Agreement for the graphic arts, paper processing, cardboard processing, publishing and ancillary industries, and the Collective Labour Agreement for Road Transport of Goods and its Annexes for the Province of Castellón applying, depending on the type of activity carried out at the different centres. publishing and auxiliary industries, and the Collective Agreement for Road Transport and its Annexes for the Province of Castellón apply depending on the type of activity carried out at the different centres. Likewise, respect for trade union relations is guaranteed, as there is freedom of association for workers and trade union platforms are facilitated. The Group has not implemented a work disconnection policy as it does not consider such situations to exist and therefore has not considered its development and regulation to be a priority.

With regard to social dialogue, the Group is subject to the aforementioned collective agreements and holds regular meetings with the legal representatives of the workers, using the usual communication mechanisms in a business environment. Meetings are held periodically with employee representatives (works councils and staff delegates) to discuss various issues relating to labour relations in the workplace, as well as meetings with health and safety committees.

Every quarter, employee representatives are informed of developments in the economic sector to which the company belongs, the company's economic situation and its performance, forecasts for new contracts and absenteeism statistics. In addition, the Group has an open channel of communication with the highest management body through a mailbox managed by the Audit Committee, a body delegated by the Board of Directors.

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The management of the Miquel y Costas Group understands that the prevention of occupational risks associated with its activity is a key element of the company's management, to which all its members must pay the utmost attention and effort in order to continue to guarantee a safe and healthy working environment for all those who provide their services at the Group's facilities, whether they are internal or external staff.

In order to guide the actions of all members with management responsibilities in the Company, whether they belong to the Management or middle management, the Miquel y Costas Group adopts this Prevention Policy, which is expressed in the following principles:

- Occupational Health and Safety (OHS) must be managed in accordance with international standard ISO 45001:2018, with the same professional rigour as any other key area of the company, and all managers must expressly consider it in any activity they carry out or order and in all decisions they take as an integral part of those activities.
- Working safely must be inherent to the activity carried out, and to make this possible, the necessary resources will be provided to achieve the objectives set with a commitment to eliminating any hazards that may arise.
- By express delegation from the General Management, the implementation and continuous improvement of the OHS management system will be based on the leadership of the Factory Management of each work centre and the commitment and participation of all levels and functions of the organisation. To achieve this, the authority and responsibility of the Management of each Area and its line of command will be key to ensuring compliance with procedures, the correct condition of equipment and facilities, and the proper use of protective equipment, whether collective or individual.
- Systems that enable the continuous identification of hazards and assessment of occupational risks will be maintained and reinforced as a basis for establishing appropriate control measures and programmes, with a view to continuous improvement.
- Although all employees are trained in risk prevention for the performance of their work in safe conditions, actions will be reinforced to extend knowledge beyond the legal requirements so that staff can anticipate the occurrence of accidents at work.
- Mechanisms for the participation and consultation of employee representatives will be strengthened to enable fluid communication on prevention matters and to encourage their participation in risk assessment processes and in the design and implementation of preventive programmes.
- Management will maintain and monitor the necessary prevention plans and programmes to ensure compliance with legal requirements and other requirements subscribed to by the company, as well as the achievement of the objectives set out on the path to continuous improvement.

The collective agreements applicable in the national workplaces of the Miquel y Costas Group require compliance with the provisions contained in current legislation on occupational health and safety and, in particular, those set out in Law 31/1995, of 8 November, on the Prevention of Occupational Risks, and its implementing provisions.

In addition, the State Collective Agreement for the pulp, paper and cardboard sector calls for the fullest cooperation of all companies in the sector. The Group is very active in this regard through the Occupational Risk Prevention Technical Forum of the Aspapel employers' association, with a view to

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ensuring that preventive measures effectively reduce the risks arising from the production process and any accidents that may occur therein.

The accident rate data for workplaces in 2024 compared to 2023 were as follows:

In the workplace											
Centre ⁽¹⁾	Nº acc. (men) 2023	Nº acc. (men) 2024	Nº accidents (women) 2023	Nº accidents (women) 2024	Objective accidents 2023-2024	IF (2) 2023	IF (2) 2024	Objective IF 2023-2024	IG (3) 2023	IG (3) 2024	Objective IG 2023-2024
MCM. TUSET	0	0	0	0	(4)	0	0	(4)	0	0	(4)
P. ANOIA	0	0	0	0	(4)	0	0	(4)	0	0	(4)
MCT	0	0	0	0	(4)	0	0	(4)	0	0	(4)
MCEMA	0	0	0	0	(4)	0	0	(4)	0	0	(4)
DESVI	0	0	0	0	(4)	0	0	(4)	0	0	(4)
MCM BESOS	6	4	0	0	(7)	18.7	12.5	(5)	1.0	0.4	(5)
MCL	0	0	1	0	(4)	29.7	0	(4)	0.6	0	(4)
CELESA	1	2	0	0	(7)	7.0	13.4	(5)	0.5	0.1	(5)
MCM MISLATA	5	5	0	0	(7)	38.3	37.1	(6)	0.3	0.9	(6)
MCM CAPELLADES	1	0	0	4	(4)	4.4	17.5	(4)	0.1	0.4	(4)
MB	5	3	0	0	(7)	33.9	20.6	(6)	0.9	0.7	(6)
TP	2	1	0	0	(7)	20.2	10.1	(5)	0.3	1.0	(5)
CLARIANA	1	2	0	0	(7)	13.1	22.3	(8)	0.5	0.2	(8)

En route to work				
Centre ⁽¹⁾	Nº accidents (men)		Nº accidents (women)	
	2023	2024	2023	2024
Miquel y Costas & Miquel, Tuset work centre	0	1	0	0
Miquel y Costas & Miquel, Besós Production centre	2	1	0	0
Papeles Anoia	1	0	0	0
Miquel y Costas Tecnologías	0	0	0	0
MCEMA	0	0	0	0
Desvi	0	0	0	0
Miquel y Costas Logística	0	0	0	0
Celesa Production centre	0	0	0	0
Miquel y Costas & Miquel, Mislata Production centre	1	0	0	0
Miquel y Costas & Miquel, Capellades production centre	0	0	1	0
MB production centre	0	0	0	0
Terranova production centre	2	0	0	0
Clariana production centre	0	0	0	0

- (1) Foreign subsidiaries are not included
- (2) Frequency rate: number of accidents per million of worked hours
- (3) Severity rate: number of days lost per thousand of worked hours
- (4) Maintain 0 objective
- (5) Not to surpass 80% of index per economic activity
- (6) Equal the index per economic activity
- (7) Reduction of the number of accidents by 20%
- (8) Not to surpass 70% of the index per economic activity

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	INDEX 2023 PER ECONOMIC ACTIVITY
FREQUENCY INDEX	27.4
SEVERITY INDEX	0.91

Information obtained from the web [mites.gob.es/](https://www.mites.gob.es/) Statistics tables of work-related accidents 2023

The Miquel y Costas Group has, as a guiding framework, a work health and safety management system based on the ISO 45001:2018 standard as its reference framework. The objective and expected results of the management system are to prevent work-related injuries and ill health and to provide safe and healthy working environments. The implementation of the management system in accordance with this standard was a strategic decision taken by the organisation in 2020. The Miquel y Costas Group maintains its certification in accordance with the ISO 45001:2018 standard, obtained from a prestigious, internationally recognised accredited body.

As in 2023, no occupational diseases were identified or reported in 2024.

The management system approach, based on the PDCA (Plan-Do-Check-Act) concept, allows advancement to be continued in ongoing improvement, comply with legal and other requirements, and achieve the objectives set annually.

Based on the definition of the different existing job positions and in view of the training and/or instruction needs arising as a result of the planned objectives (defined by the Department/Area Manager, Factory Management, General Management and/or Division Management, due to new products, processes or facilities, due to regulations applicable to the product or process, due to requirements of the Quality Management System, Environment System and Occupational Safety System or changes in the Integrated Management System), a Training Plan is established annually. This ensures the training of personnel who may have an influence on product quality, customer service, environmental management, as well as all aspects related to the jobs they hold and which may lead to an improvement in their performance.

The Group plans the training programme for all Group employees on an annual basis, providing them (according to their category and position) with the training necessary for the performance of their daily activities. Such training may be aimed at acquiring new knowledge related to their daily duties, improving skills or obtaining certifications.

In addition, in certain cases, and depending on the career plans in place, the company has been providing certain managers with access to specialised technical courses.

The number of training hours per professional category in 2023 and 2024 for national companies is as follows:

No. Hours of training per professional category	Hours 2023	Hours 2024
Directors	340	501
Managers and intermediate managers	842	703
Adm. personnel	3.477	2905
Prod. personnel	4.460	3847
Total	9.119	7.956

4. Respect for human rights

Respect for human rights is a fundamental part of the values of the Miquel y Costas Group and an aspect that is intrinsically linked to its business activities, given that the Group's highest governing body promotes the idea that corporate sustainability begins with a system of values and is sustained by a principles-based approach to doing business. This means operating in a way that, at least, fulfils fundamental responsibilities in the areas of human rights, labour, the environment and anti-corruption.

That is why the Miquel y Costas Group, as an active member of the United Nations Compact since 16 October 2023, renewed its commitment to the Ten Principles of the United Nations Global Compact on human rights, labour standards, the environment and the fight against corruption in July 2024. In this Communication on Progress, the Group discloses its ongoing efforts to integrate the Ten Principles into our business strategy, culture and daily operations, and to contribute to the objectives of the United Nations, in particular with regard to the Sustainable Development Goals.

All members of the Miquel y Costas Group are required to respect the principles of the Universal Declaration of Human Rights and to carry out their activities in line with the United Nations 2030 Agenda. These commitments must also be upheld by third parties who collaborate with any of the companies in the Group, a goal towards which great efforts have been made during this financial year.

In line with this purpose and with the constant improvement of the integration of its commitment in all its activities, the group's highest governing body issues an annual statement on the relevance of sustainable development and its impact on both people and the environment, and every six months the risks and opportunities related to climate change are assessed and reviewed.

In this same context, the Human Rights Policy and its reference standard, the Code of Ethics, serve as the framework governing all of the Group's activities and guaranteeing its commitment to current legislation and solid ethical values. The approval of the Policy in 2023 and the update of the Code of Ethics in 2022 consolidated the commitments to stakeholders, having identified the following as material human rights issues related to its operations and/or value chain:

- Freedom of association and effective recognition of the right to collective bargaining
- Child labour
- Forced labour
- Non-discrimination in employment and occupation
- Safe and healthy working environment
- Working conditions (wages, working hours)
- Access to water and sanitation
- Digital security/privacy
- Gender equality and women's rights

Thus, the Group expressly states through its Policies and Code of Ethics its express commitment to basic principles that it establishes as standards of conduct. More specifically, the following human rights issues have been included in accordance with the recommendations of the United Nations Global Compact:

- Access to water and sanitation
- Digital security/privacy
- Gender equality and women's rights
- Indigenous peoples' rights

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To guarantee these principles, both the hiring and approval processes ensure that all suppliers of the group are aware of the Group's Code of Ethics and are asked either to adhere to it or to prove their compliance with and commitment to a similar code that prioritises the same standards and, in particular, commits to respecting the human and labour rights of their personnel. The Group does not tolerate any violation of the principles detailed in the Code.

In addition, as of this financial year, suppliers are required to provide clear evidence that they have a sustainability report, clear CSR policies or, at least, that they can demonstrate their commitment to human rights, compliance with current labour, health and safety legislation, and management of incidents or deviations from their CSR or Code of Ethics. Of the 100% of suppliers reviewed, 81% (vs. 78% in 2023) are within the compliance ranges. 100% of strategic suppliers (189) have been assessed against all these parameters, obtaining an average score of 89.1 out of 100 (vs. 88.6 in 2023).

With regard to access to water and sanitation, the Miquel y Costas Group is committed to reducing its water footprint and has a Water Reduction Plan. It also involves its suppliers, requiring FSC and PEFC certification that contributes to sustainable water management, supporting SDG 6 on clean water and sanitation, and promoting responsible practices in the supply chain. The company also ensures that 100% of employees have access to safe sanitation. The Group has a Digital Security and Privacy Policy in place, which is currently being updated. In terms of equality, Miquel y Costas has Equality Plans and is committed to women's rights and gender equality. With regard to the rights of indigenous peoples, the company has a Chain of Custody Policy (POLCDC) that requires its suppliers to comply with the Commitment to respect the Free, Prior and Informed Consent (FPIC) of Indigenous Peoples.

Likewise, and with respect to commitments to labour standards, the Group's policies are established in accordance with the labour regulations or legislation in force at all times and in each location where it resides, and the corresponding due diligence procedures are developed to ensure compliance with such regulations or legislation. At the same time, and in compliance with the methodology of review and continuous improvement, work is carried out on the progress of individual and collective labour rights for all personnel beyond those required by international organisations.

In the same vein, and in accordance with the provisions of the regulations on hiring and working conditions, the Group disapproves of any abusive, forced or illegal labour situation, expressly declaring its rejection of slavery or human trafficking, and prohibiting the hiring of child labour at its centres or those of its suppliers, expressly including adherence to this commitment in the new supplier supervision protocol mentioned above.

Despite the fact that the different collective bargaining agreements that govern labour relations in the Miquel y Costas Group are of a supra-company scope, leaving negotiation outside the Group's sphere of control, in the course of labour relations, negotiations take place within the Group that usually end with agreements that adapt, if not improve, the rights defined at state level in the different collective bargaining agreements.

The rights of all workers to organise and assemble are guaranteed as established by law, as well as the rights and guarantees provided for in labour legislation for the members of the workers' legal representatives at all centres.

The Miquel y Costas Group provides the various legal representatives of the workers and the various trade union representatives with the material and space resources necessary for the proper performance of their functions in the interest of their organisations and those they represent, thus facilitating the holding of meetings and/or assemblies.

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Based on the approved and implemented Equality Plan, work has been carried out on the implementation of the improvement actions established in its schedule and the definition of indicators to report on the evolution of the equality situation in the different work centres. It includes a protocol for the prevention of sexual harassment with the aim of detecting, preventing, acting, informing and raising awareness among all staff of the importance of respect for equality and non-discrimination on any grounds.

In order to assess effective compliance with the principle of respect for a working environment free of violence, harassment, intimidation and respect for people's rights, various surveys are carried out in accordance with the provisions of the People Management Procedure (PRGESRH): biennial satisfaction surveys in the MB and Terranova centres, in which the results are measured and analysed, and depending on the values obtained in the different items, improvement actions are implemented; quadrennial HR evaluation surveys by all work centres; and annual evaluation surveys of the direct manager and job satisfaction in 2 work centres, which will change on a rotating basis each year according to an established calendar.

Due to the results of the direct manager evaluation surveys, training actions have been carried out in motivation, team management and persuasive leadership to reinforce the weakest aspects. An equality survey was also completed at the MB, Terranova, Celulosa de Levante and Clariana centres in order to assess the situation at each centre, the results of which form part of the action plan to be carried out during the term of the Equality Plan.

As part of the principles of action promoted by the Group to ensure compliance with its commitments to human rights, all employees, customers, investors and suppliers have a communication channel at their disposal through which they can report breaches of human rights or even raise concerns, deviations or queries about compliance with the principles of the Code of Ethics.

This is supported by the Internal Reporting System implemented on 29 May 2023, which allows the reporting of suspected breaches of the law completely anonymously and without the whistleblower having to fear any kind of reprisal, provided that the report is made in good faith. Its regulation is set out in the Internal Whistleblower Information and Protection System Procedure available on the Group's website.

During this financial year and in order to reinforce the knowledge of the personnel in the means at their disposal, the didactic material has been updated, incorporating, among others, training in Human Rights Policy and in the Internal Procedure for information and protection of the informant. 100% of new recruits have been duly informed of the obligation to act in accordance with these basic ethical principles, particularly the obligation to respect recognised human rights, and have been duly informed of the existence of the Whistleblowing Channel. A total of 727 hours of classroom training were given to 597 people.

The volume of complaints and queries has increased in 2024 due to the reinforcement of communication and training, but considering the comparison in the sector and in companies of equivalent size, it is within the low average ratio of 20 complaints per year, which allows the company to have a good visibility of deviations in advance for their correction. 21 complaints have been received, of which 4 have been reclassified as queries. Of the 17 complaints, 14 have been closed and 3 are still ongoing due to the complexity of their substantiation due to lack of sufficient data. Of the 14 complaints closed, 5 were not admitted because it was considered that the subject matter was not the subject of the Channel, but in some cases the People Department was informed of them, when it was considered opportune and appropriate. 3 of the complaints received did not contain sufficient information to be able to continue the investigation, nor access to the complainant to obtain further details, and therefore could not be substantiated. Six of the complaints received were investigated and formally assessed, and one of them resulted in a caution.

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In relation to the procedure for dealing with these complaints, the main stumbling block during the year was the lack of sufficient information and data and the lack of substantiation. In this financial year, 100% of the investigations were kept internal by the members of the Ethics Committee, but once the veracity of the facts had been confirmed, an expert third party was asked to classify and, where necessary, categorise them.

No reports have been received in the areas of corruption, bribery, violation of fundamental rights, money laundering or collaboration with terrorism. No cases of harassment or violation of people's rights have been identified so far. Three breaches of the Code of Ethics have been identified, one of which has resulted in a caution and the others have been reported to the People Department, the Chairman's Office and the management responsible, with the appropriate recommendation, for appropriate management and internal correction.

In financial year 2023, four complaints were received related to possible violation of rights and protection of people, most of which, after having been duly assessed, were diverted to other management channels as they were not the subject of the channel and dealt with deviations or situations that fall within the remit of other areas. A complaint of harassment was received, investigated and processed, through the channels established in the Equality Plan, which resulted in dismissal.

In order to ensure compliance with the guiding principles of the business policy, the Group carries out training plans on ethical standards for all staff. These training programmes are aimed at disseminating the principles of the Code of Ethics and the commitment to the community among the entire staff and, during this financial year and to reinforce the knowledge of the staff on these fundamental commitments for the Group and on the means at their disposal to report any doubt or deviation they may detect, the training material has been updated to include, among others, training on Human Rights Policy and on the internal procedure for information and protection of the informant.

In this context, this year an effort has been made to ensure understanding of the new policies and the programme has been implemented with emphasis on classroom training, with 727 hours of classroom training given to 597 people.

In addition, it is guaranteed that all new recruits receive a Welcome Manual on arrival, which includes, among other things, information on the policies and procedures related to business ethics and their mandatory compliance. This ensures that 100% of new recruits are duly informed of the obligation to act in accordance with these basic ethical principles, particularly the obligation to respect recognised human rights, and have been duly informed of the existence of the Whistleblowing Channel. This knowledge is reinforced by subsequent face-to-face training.

The volume of complaints and enquiries increased in 2024 due to improved communication and training but compared to other companies in the sector and of a similar size, it remains within the low average ratio of 20 complaints per year, which allows the company to identify deviations in advance so that they can be corrected.

In accordance with its formal adherence to the principles of the United Nations Global Compact, and in its quest to promote the adoption of corporate commitments that positively impact sustainable development, the Group has begun the process of identifying the Sustainable Development Goals (SDGs) that are currently most relevant to its business activities and that contribute to the fulfilment of the 2030 Agenda.

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In this context, the main SDGs associated with the protection of human rights, to which the Group contributes, are as follows:



3 HEALTH AND WELLBEING

The Group is committed to health and safety in all work positions, ensuring strict compliance with safety regulations. ISO 45001 certification at all production centres demonstrates our commitment to international safety standards.

Main contributions in 2024:

- Investment in fire, health and safety (thousands of €): 3,922 (1,679 in 2023)
- Employees trained in health and safety: 100% of those trained; emergency teams and managers (100% in 2023)
- Frequency rate: 14.3 (14.9 in 2023)



8 DECENT WORK AND ECONOMIC GROWTH

The Group is committed to inclusive and sustained economic growth to drive progress, create decent work and improve the community's standard of living. To achieve this, it allocates resources to R&D projects, improving efficiency and attracting talent.

Compliance with regulations on recruitment and working conditions prohibits abusive, forced or illegal labour situations. The Group transfers to its supply chain the obligation to reject slavery, child labour and to ensure adequate working conditions.

Main contributions en 2024:

- Permanent contracts: 96% (94% in 2023)
- Tax contribution (thousands of €): Corporate tax payments of 15,046 (15,034 in 2023)
- R&D&I resources (thousands of €): 2,680 (3,283 in 2023)
- Strategic suppliers evaluated in CSR: 100% (100% in 2023)
- Training hours: 7,898 (9,119 in 2023)
- EPS (euros per share): 1.28 (1.11 in 2023)
- Amount allocated to donations: 153,000 € (110,000 € in 2023)



10 REDUCTION OF INEQUALITIES

The Group's primary objective is to raise awareness among all staff of the importance of inclusive economic and social growth by ensuring an equal opportunity working environment and prohibiting any discriminatory employment practices.

Main contributions in 2024:

- Satisfaction surveys carried out at the Mislata and Besós centres (MB and Terranova in 2023).
- Assessment of performance in management positions; 84% evaluated (81% in 2023).
- 100% of new recruits informed about the equality policy implemented and the sanctioning regime.
- 100% of the staff has been informed about the functioning of the whistleblowing channel.
- 100% of staff have been informed of the updating of the Code of Ethics.
- % of training requests granted: 68.25% (71.35% in 2022).

5. Fight against corruption and bribery

The Audit Committee, in its capacity as the responsible delegated body, agreed on 27 November 2017, and the Board of Directors ultimately ratified on 18 December 2017, the Anti-Corruption and Anti-Bribery Policy, in line with the Code of Ethics and the Corporate Social Responsibility Policy.

On 28 November 2022, the same bodies reviewed and approved the update to the Code of Ethics, further strengthening previous commitments to stakeholders and establishing new and robust commitments on ethical policies. This demonstrates the Group's commitment to fighting corruption and fraud, money laundering, conflicts of interest or risks associated with sensitive transactions (gifts, facilitation payments, cash payments, political contributions, donations); as well as promoting the protection of human rights, its own and third-party industrial and intellectual property, and the security of information and personal data.

On 24 April 2023, the Audit Committee, acting as a delegate body of the Board of Directors, reviewed the Anti-Corruption and Anti-Bribery Policy once again and approved an update to reinforce the Group's commitment to fighting fraud. The new policy brings its content into line with the principles and commitments of the new Code of Ethics and aligns it with the ESG requirements of the main global evaluators.

The Anti-Corruption and Anti-Bribery Policy, like the Code of Ethics, applies to all companies within the Miquel y Costas Group and to all personnel working for it. It is accessible to both personnel and external parties via the Group's website.

In turn, it is equally applicable and of mandatory knowledge and adherence for all third parties who collaborate in any way with the Miquel y Costas Group, through statements and guarantees of anti-corruption conduct (ethical clauses in contracts, due diligence).

The Anti-Corruption and Anti-Bribery Policy reinforces the Miquel y Costas Group's commitment to carry out its activities in accordance with current legislation, based on the values of the Code of Ethics (integrity, transparency, equality, commitment and excellence). And, at the same time, it provides the principles of action and the necessary mechanisms to avoid any possible practice of corruption and bribery.

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The *Institutional Anti-Fraud Statement*, included in this policy, constitutes the Group's commitment to the prevention and punishment of fraudulent acts and conduct that may give rise to corruption and fraud in any of its manifestations.

In addition, during the 2024 financial year, the procedure and communication regarding compliance with international sanctions has been strengthened to ensure that the appropriate verification processes are in place before entering into any type of business relationship with listed countries.

To ensure compliance with the Anti-Corruption and Anti-Bribery Policy and the procedures it incorporates, the control model implemented for the prevention of criminal risks that the Group has had in place since 2016 is applied, and which during 2023 and 2024 has been duly reviewed and updated with the new offences and controls. The design of this management and organisational model includes and contemplates all areas of activity, and incorporates the surveillance and control measures necessary to prevent and detect the commission of crimes (and with greater attention to criminal offences that may affect the legal entity), guaranteeing the goodwill of the company in the eyes of third parties.

Management of compliance with policies and procedures relating to business ethics, and the resolution of queries arising therefrom, is centralised in the Audit Committee through the Compliance Officer, who is responsible for the periodic review, analysis and supervision of the control activities applied in the different processes exposed to risk, in order to identify criminal conduct and procedures, both own and those of third parties, occurring within the Group or its activities, and to adopt the appropriate measures in each case.

Based on the implementation of the management system for the control of criminal risks, those types of crime that may have a higher incidence are detected and prioritised, while the areas and processes most exposed to risk and the mitigating control mechanisms are identified. The management model is kept up to date and the following actions are carried out for this purpose:

- Periodic monitoring of the effectiveness of existing controls.
- Action plans to establish new control mechanisms or improve existing ones.
- Internal audit plan for controls considered critical.
- External audit to assess the management model.
- Supervision and approval of the actions taken and results obtained by the Audit Committee (delegated body of the Board of Directors).

Periodically, compliance with the control mechanisms implemented in the most exposed processes is monitored internally, conclusions are drawn on the suitability of their design, their operational effectiveness in the prevention or detection of particularly criminal offences is assessed and actions are derived which are submitted to the Audit Committee for its consideration and, where appropriate, approval.

A diagnostic report is carried out every two years by an external audit in which the compliance management system is assessed to verify the degree of maturity and effectiveness, also performing a benchmarking with the best practices, including their alignment with technical aspects and needs defined in the UNE 19601, resulting in the corresponding report on which the Action Plan and work plan of the Compliance and internal control areas is drawn up.

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Likewise, at present, the receipt, assessment, management and response to possible complaints or suspicions regarding the commission of unlawful actions that may be submitted through the various channels available to the Group is centralised in the Ethics Committee.

Given that ethical values guide the activity and underpin trust with both staff and the environment, it is essential to ensure respect for company policies, and it is considered mandatory to have channels and procedures for reporting any act of non-compliance or illegal actions or suspicions of them.

In the reporting period, as in 2023, there were no confirmed cases of corruption, bribery, fraud, money laundering or any other type of crime covered by criminal risks.

Consequently, for this reason:

- No employees have been reprimanded or dismissed.
- There have been no terminations or non-renewals of contracts with any business partner.
- No lawsuits have been brought against the organisation or any of its employees for this reason.
- No deviations or non-compliance with the policy on gifts, presents and gratuities have been detected through responsible communications from employees.

The Group's entire new regulatory framework, its commitments and its management hinge on the principle of 'zero tolerance' to corruption and fraud over the obtaining of benefits based on actions contrary to the Code of Ethics. In order to strengthen the Group's position on zero tolerance to acts of corruption or any offence covered by criminal risks, the Group carries out training plans on ethical standards for all staff. Training is provided not only to key employees exposed to high risks but to the entire workforce.

These training programmes are aimed at ensuring the application of the criminal risk prevention procedure and identifying possible warning signs, as well as disseminating and ensuring compliance with the principles of the Anti-Corruption and Anti-Bribery Policy, including the whistleblower channel procedure and the sanctions regime.

At year-end 2024 and in line with the previous year, all members of the governing body have received information on the organisation's business ethics policies and anti-corruption procedures, as part of the regular and ongoing reporting and guidance protocol that has been reviewed and implemented during this financial year 2024.

100% of new hires this year have been informed of the policies and procedures governing the Group's activities and the ethical principles that define its conduct, including the Anti-Corruption and Anti-Bribery Policy, as established by internal regulations and as has been complied with in recent years.

No deviation or non-compliance with the policy on gifts, presents and gratuities has been detected through the controls in place or through the responsible declarations issued by employees (0 non-compliances in 2023).

6. Society

The Group maintains a continuous and constant relationship with local communities, including educational, business, municipal and sectoral groups related to its activities. This relationship aims to maintain a source of information and communication regarding possible collaborations, establish close relationships between companies and sector associations for better management, share knowledge of different situations, as well as the potential economic promotion of the town or area in which the Group's companies are located.

Through the Miquel y Costas Foundation, a foundation promoted from within the Group, most of the collaborations with the various stakeholders are carried out. An illustrative example of this is the collaboration in educational programmes in the communities that form part of our stakeholders.

In terms of relations with business associations, the Group, through its companies or through the Miquel y Costas Foundation, is a member of the business association of the Anoia region UEA (Unió Empresarial de l'Anoia) and is a sponsoring member of the Museu Molí Paperer de Capellades (Barcelona).

The amount that the Group earmarked for donations in the year amounted to 153 thousand euros, representing an increase of 39% compared to the previous year (110 thousand euros in 2023), practically all of which was channelled through the Miquel y Costas Foundation, which in turn reverted it to the company.

6.1 Purchases

Principles governing the Commitment with Suppliers

One of the fundamental pillars in the development of the Group's activity is based on the supply of goods and services, prioritising quality, competitive prices, delivery times, respect for the environment, product safety and professional services. One of the fundamental levers for achieving this objective is the construction of a reliable and sustainable value chain that generates shared value while at the same time facilitating the achievement of a greater economic advantage.

To create and maintain this value chain, the Group is governed by the principles of legality, ethics and respect, guided by selection criteria based on objectivity and transparency, establishing minimum standards of compliance to which all our suppliers must commit themselves. All decisions taken in this area must be accredited, in the sense that they must be justifiable, testable and verifiable in the event of review by the Group's control bodies or even by third parties.

To guarantee these principles, all suppliers are aware of the Group's Code of Ethics and are asked either to adhere to it or to prove their compliance with and commitment to a similar one that prioritises the same standards and, in particular, undertakes to respect the human and labour rights of their personnel. The Group does not tolerate violations of any of the principles detailed in the Code.

Supplier management

Our Group maintains close and frequent dialogue with suppliers, mainly through the Corporate Purchasing Department. The risk analysis identifies strategic suppliers, by volume, incidence on the activity and impact on the environment and society, highlighting suppliers of energy and raw materials, particularly those of cellulose, packaging and chemical products.

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Most of these suppliers, with the exception of energy, are monitored centrally by the Corporate Purchasing Department, which is made up of an interdisciplinary team that periodically manages raw material orders from the many suppliers located in various locations around the world, analysing available stock and future needs. With regard to the rest of the materials for production, the department is responsible for negotiating prices and delivery conditions with each supplier, and each centre is responsible for quantifying the material needs (product, quantity and delivery date).

Energy suppliers are managed centrally by an area specialising in this field, led by the Group's senior management, with the aim of adapting supplies to the Group's most immediate needs, but always seeking a balance with the medium-term strategy designed to try to ensure stability and greater efficiency in the activity and commitments to society and the environment.

Suppliers of large investments for the renovation or refurbishment of equipment, machinery and facilities are centrally managed by a team specialised in the development, implementation and management of industrial technology products, solutions, applications and systems related to the Group's areas of activity.

In all cases, the criteria for both selection and evaluation of existing suppliers are clearly defined in the Group's current procedures and are based on a balance between economic criteria and high quality standards, while also considering commitment to and compliance with practices aimed at environmental protection and safety. Labour and social standards and governance compliance play a decisive role and in recent years have become increasingly key requirements for the Group, which actively encourages its suppliers to improve their commitment to all ethical and sustainability principles in order to meet our high requirements in these areas.

Supplier management during the year

During 2024, with the effects of the pandemic now far behind us, with the risks of the conflict in Ukraine clearly identified and under control, and with energy prices much more stable, the Group was able to maintain the supply capacity of all the raw materials necessary for the normal operation of the business, monitoring at all times the stocks of our plants and the supply capacities of strategic suppliers.

The most relevant events of the period focused on the logistical problems in maritime transport resulting from the closure of the routes through the Suez Canal as a consequence of the war conflict in that area. This affected all the supply chains of traffic between Europe and Asia in both directions, significantly lengthening the transit times of ships, as all these routes were diverted via the Cape of Good Hope and, therefore, making maritime logistics considerably more expensive. Cellulose pulp, our main raw material, saw a strong upward trend in prices during the first part of the year, while during the last quarter its price fell considerably, helped by a general decline in activity worldwide. The rest of the raw materials maintained a much more stable price path, although with a certain downward trend for the same reasons that affected cellulose.

The Group's supplier panel is very stable and it has not been necessary to incorporate any new suppliers during the past year. For several years now, the Group has been informing all suppliers about our Corporate Social Responsibility, Criminal Risk Prevention, Code of Ethics and Anti-Corruption Policies. This year our goal is that 100% of our suppliers are not only aware of these policies, but also adhere to them.

Supply chain

The Purchasing Department is in charge of supplying the necessary materials to ensure the needs of all the production plants. The production materials are divided into the following families: pulps, chemical products, rings, packaging, materials for books for rolling papers and vestments.

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Information on the suppliers involved in each of the families is detailed in the following table:

	No. SUPPLIERS		PURCHASE AMOUNT (M€)		% SPAIN (en €)		% Rest EU (In €)		% Extra-EU (en €)	
	2.024	2.023	2.024	2.023	2.024	2.023	2.024	2.023	2.024	2.023
Pulp	21	23	66,04	57,19	29,9%	36,9%	45,7%	37,7%	24,4%	25,4%
Chemical Prod	76	75	21,43	19,71	92,7%	77,3%	7,3%	22,7%	0,0%	0,0%
Rings	4	3	1,56	1,46	100,0%	99,6%	0,0%	0,4%	0,0%	0,0%
Packaging	72	69	5,64	6,12	89,9%	97,5%	3,9%	2,3%	6,2%	0,2%
Mat. Books	3	3	6,02	4,93	100,0%	100,0%	0,0%	0,0%	0,0%	0,0%
Vestiments	9	8	1,38	1,14	58,0%	52,9%	42,0%	47,1%	0,0%	0,0%

As a global leader in the quality of our products, we can only use pulp that offers the best technical characteristics, which can only be achieved by sourcing from suppliers within a radius that is far from the influence of the European Union. However, in order to maintain and guarantee effective compliance with the Group's minimum requirements and commitments, 100% of the cellulose suppliers selected have the two most internationally recognised forestry chain of custody certifications, FSC and PEFC. Both certifications certify that cellulose manufacturers meet the highest standards of quality and commitment to the principles governing both 'zero deforestation' and the conservation of native species and aboriginal tribes within the regions where logging takes place. In addition, both certifications ensure the protection of workers' rights in accordance with the International Labour Standards of the International Labour Organisation (ILO). These requirements include the effective abolition of child labour, the elimination of all forms of forced or compulsory labour, the elimination of discrimination in respect of employment and occupation, respect for freedom of association and the effective recognition of the right to collective bargaining, ensuring the protection of workers by specifically supporting their rights and maintaining or increasing their social and economic well-being.

As a result of this supply policy, **45%** (vs. 48% in 2023) of the cellulose purchased was FSC certified, and the remaining **55%** (vs. 52% in 2023) was FSC controlled, of which **48%** (vs. 54% in 2023) was PEFC certified. These figures provide a positive response to the requirement for pulp to be certified in both chains of custody and we can more than meet our customers' demand for forestry certifications.

With regard to chemical products, the Group promotes collaboration with suppliers operating within the national sphere, reaching **93%** of total purchases (vs. 78% in 2023) from suppliers of this family of products, with the aim of contributing to minimising the carbon footprint and fostering growth and sustainability in our community. The rest of the purchases are for highly technical products that are not available locally, but remain within the scope of the European Union.

With regard to suppliers of rings, packaging and materials for the manufacture of cigarette paper booklets, we continue to use almost **100%** local suppliers, all of them within a radius of less than 60 km from our production centres, thus helping to minimise the impact of the carbon footprint of these products.

Finally, as far as the family of garments is concerned, these are highly technical products that few manufacturers can supply, so we are obliged to extend our purchases to the intra-Community sphere, as manufacturing capacities within Spain are very limited.

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Supplier certification and evaluation

The Group has a general supplier evaluation procedure that establishes and regulates the system for choosing, continuously evaluating and monitoring suppliers at its centres, determining their ability to comply with the requirements relating to the quality of each product and service, and which includes environmental and chain of custody criteria for raw materials of forestry origin. In addition, when contracting all suppliers, the Group reports on the Code of Ethics, Corporate Social Responsibility and Anti-Corruption Policy and checks the social dimension of the supplier, verifying its focus on the prevention and mitigation of negative social impacts in the supply chain.

With regard to the panel of strategic suppliers, the Purchasing Department carries out an assessment of the suppliers that provide material for industrial and business activity, taking into account aspects related to:

- **Quality:** The non-conformities of the previous year are reviewed, registering the number of deliveries and the non-conformities reported in the period under review.
- **Economic:** Suppliers of the same product are classified according to the prices offered.
- **Delivery deadlines:** Suppliers who do not meet our planned delivery dates are penalised.
- **Environment:** Suppliers that have EMAS, ISO 14001 certification or simply have an environmental policy are evaluated differently.
- **Service and Support:** Together with the R&D Department, the degree of cooperation and support in both technical and commercial matters is evaluated.
- **CSR and ESG:** Since 2022, the methodology for assessing suppliers' compliance with CSR principles has been improved. From this year onwards, suppliers are asked to provide clear evidence that they have a sustainability report, clear CSR policies or, at least, that they can demonstrate their commitment to human rights, compliance with current legislation on tax, labour, health and safety, incident management or deviations from their CSR or Code of Ethics. In addition, during the previous year, all our suppliers were asked to sign our supplier code of conduct.

A more detailed and continuous monitoring of this last requirement has been introduced during the year 2024. Of the 100% of the suppliers reviewed, **81%** (vs. 78% in 2023) are within the compliance ranges.

100% of strategic suppliers (189) have been evaluated under all these parameters, obtaining an average score of **89.1 out of 100** (vs. 88.6 in 2023).

In addition to these annual evaluations, the Purchasing Department, together with the R&D Department, carries out periodic audits of suppliers, during which all parameters are reviewed and the relevance of the commitment to compliance with economic, social and environmental standards is emphasised.

In addition, all suppliers who carry out work at the facilities of Miquel y Costas & Miquel, S.A. and its Group must guarantee compliance with the Group's policies and procedures in social and environmental matters.

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6.2 Tax information

The Group receives certain grants for the promotion of public policies aligned with those of the Group. Details of this aid can be found in note 14 (a) of the consolidated annual accounts for 2024.

The Group has established control mechanisms to ensure compliance with tax regulations in the countries in which it operates. In addition, the Group has contracted advisors in the various countries in which it has a corporate presence to advise it on tax compliance and regulatory changes. In 2024, none of the Group's companies were subject to any material tax penalties (nor in 2023).

The net profits obtained country by country, as well as the corporate tax payments made in 2024, are as follows:

COUNTRY	PROFIT BEFORE TAX	PAYMENTS FOR CORPORATION TAX **
SPAIN	61,556	14,374
REST OF COUNTRIES (Subsidiaries)*	1,971	672
TOTAL	63,528	15,046

Data in thousands of euros.

* Rest of countries (Subsidiaries) includes Argentina, Germany and Chile

** Payments carried out for corporation tax corresponding to fiscal years 2023 and 2024.

The net profits realised country by country, as well as the corporate tax payments made in 2023, are as follows:

COUNTRY	PROFIT BEFORE TAX	PAYMENTS FOR CORPORATION TAX **
SPAIN	55,026	14,712
REST OF COUNTRIES (Subsidiaries)*	1,527	322
TOTAL	56,553	15,034

Data in thousands of euros.

* Rest of countries (Subsidiaries) includes Argentina, Germany and Chile

** Payments carried out for corporation tax corresponding to fiscal years 2022 and 2023.

6.3 Consumers

The Group complies with the legislation in force in the countries where it markets its products. Most of them are industrial products that are integrated into the production process of other companies. The products intended for the food sector comply with all the requirements demanded to guarantee the health and safety of consumers, complying in the case of Terranova Papers with the BRCGS standard and in the case of Mislata with the ISO 22000 standard. The technical specifications of the products are defined by the customers, and no complaints related to the health of consumers have been received from them either in 2024 or in 2023. As a result of the quality management system certified under the ISO 9001 standard, procedures have been established for the communication, reception, management and resolution of any incident or complaint that may arise from our customers.

This report is available on the website www.miquelycostas.com

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Annex I. Traceability table of the requirements of Law 11/2018 and of the European Taxonomy Regulation

FIELDS	Content	Reporting framework	Section in this report
Business model	Brief description of the group's business model, including: 1.) its business environment, 2.) its organisation and structure, 3.) the markets in which it operates, 4.) its objectives and strategies, 5.) the main factors and trends that may affect its future development.	GRI 2-1 GRI 2-2 GRI 2-6 GRI 3-3	1. The Group's business model
Policies	A description of the group's policies on environmental issues, social issues, respect for human rights, respect for the fight against corruption and bribery, and personnel policies, including measures, if any, taken to promote the principle of equal treatment and opportunities between women and men, non-discrimination and inclusion of persons with disabilities, and universal accessibility.	GRI 3-3	They are described throughout the chapters of the NFIS
ST, MT and LT Risks	The main risks related to these issues associated with the group's activities, including, where relevant and proportionate, its business relationships, products or services that may have an adverse impact on these areas, and * how the group manages those risks, * explaining the procedures used to identify and assess them in accordance with the relevant national, European or international frameworks for each area. * Information on the impacts identified should be included, including a breakdown of the impacts, in particular the main short, medium and long-term risks.	GRI 3-3	They are described throughout the chapters of the NFIS
Environmental Issues	Global Environment		
	1.) Detailed information on the current and foreseeable effects of the company's activities on the environment and, where applicable, health and safety, environmental assessment or certification procedures; 2.) The resources dedicated to the prevention of environmental risks; 3.) The application of the precautionary principle, the amount of provisions and safeguards for environmental risks (e.g. derived from the environmental liability law).	GRI 3-3	2. Environmental issues
	Pollution		
	1.) Measures to prevent, reduce or remediate carbon emissions that have a serious impact on the environment; 2.) Taking into account any form of air pollution specific to an activity, including noise and light pollution.	GRI 305-7 GRI 303-4	2. Environmental issues
	Circular economy and waste prevention and management		
	Circular Economy	GRI 306-3 GRI 306-4 GRI 306-5	2. Environmental issues
	Waste: Waste prevention measures, recycling, reuse, other forms of recovery and disposal; Actions to combat food waste.	NA	Not reported, not material
	Sustainable use of resources		
Water consumption and water supply in accordance with local constraints; Consumption of raw materials and measures taken to improve the efficiency of their use; Direct and indirect energy consumption, measures taken to improve energy efficiency and the use of renewable energy.	GRI 303-3 GRI 303-5 GRI 3-3 GRI 301-1 GRI 302-1	2. Environmental issues	

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FIELDS	Content	Reporting framework	Section in this report
	Climate Change		
	Significant elements of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces;	GRI 3-3 GRI 305-1 GRI 305-2 GRI 305-5	2. Environmental issues
	Measures taken to adapt to the consequences of climate change;		
	Voluntary reduction targets established in the medium and long term to reduce greenhouse gas emissions and the means implemented to this end		
	Biodiversity protection		
	Measures taken to preserve or restore biodiversity;	GRI 3-3 GRI 304-1 GRI 304-2	2. Environmental issues
	Impacts of activities or operations on protected areas.		
Social and personnel issues	Employment		
	Total number and distribution of employees by gender, age, country, and professional classification;	GRI 2-7 GRI 405-1	3. Social and personnel issues
	Total number and distribution of employment contract types,		
	Average annual number of permanent contracts, temporary contracts, and part-time contracts by gender, age, and professional classification,		
	Number of dismissals by gender, age and professional classification;	GRI 3-3	3. Social and personnel issues
	Average remuneration and its evolution broken down by gender, age and professional classification or equal value;	GRI 3-3	3. Social and personnel issues
	Pay gap, remuneration for equal or jobs or average in society,	GRI 405-2	3. Social and personnel issues
	Average remuneration of directors and senior management, including variable remuneration, allowances, indemnities, payments to long-term savings schemes and any other payments broken down by gender,	GRI 3-3	3. Social and personnel issues
	Implementation of policies for work disengagement,	GRI 3-3	3. Social and personnel issues
	Employees with disabilities.	GRI 405-1	3. Social and personnel issues
	Organisation of work		
	Organisation of working hours	GRI 3-3	33. Social and personnel issues
	Number of hours of absenteeism	GRI 3-3	3. Social and personnel issues
	Measures aimed at facilitating the enjoyment of work-life balance and encouraging the co-responsible exercise of work-life balance by both parents.	GRI 3-3	3. Social and personnel issues
	Health and safety		
	Health and safety conditions at work;	GRI 403-1 GRI 403-4b	3. Social and personnel issues
	Occupational accidents, in particular their frequency and severity, Occupational diseases, broken down by gender.	GRI 403-9 GRI 403-10	3. Social and personnel issues
	Social relations		
	Organisation of social dialogue, including procedures for informing and consulting personnel and negotiating with them;	GRI 3-3	3. Social and personnel issues
Percentage of employees covered by collective bargaining agreements by country;	GRI 2-30	3. Social and personnel issues	

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FIELDS	Content	Reporting framework	Section in this report
	The balance of collective bargaining agreements, particularly in the field of occupational health and safety.	GRI 403-4	3. Social and personnel issues
	Mechanisms and procedures to promote employee involvement in the management of the company, in terms of information, consultation and participation.	GRI 3-3	3. Social and personnel issues
	Training		
	Policies implemented in the field of training;	GRI 404-2a	3. Social and personnel issues
	Total number of hours of training by professional category.	GRI 404-1	3. Social and personnel issues
	Accessibility		
	Universal accessibility for persons with disabilities	GRI 405-1	3. Social and personnel issues
	Equality		
	Measures taken to promote equal treatment and opportunities for women and men;	GRI 3-3	3. Social and personnel issues
	Equality plans (Chapter III of Organic Law 3/2007, of 22 March, for the effective equality of women and men), measures adopted to promote employment, protocols against sexual and gender-based harassment, integration and universal accessibility for people with disabilities;		
	The policy against all types of discrimination and, where appropriate, diversity management.		
	Human Rights		
Human Rights	Implementation of human rights due diligence procedures. Prevention of risks of human rights abuse and, where appropriate, measures to mitigate, manage and redress possible abuse;	GRI 3-3 GRI 2-23	4. Respect for human rights
	Reports of human rights abuse;	GRI 2-26 GRI 406-1	4. Respect for human rights
	Promotion of and compliance with the provisions of the International Labour Organisation's core conventions related to respect for freedom of association and the right to collective bargaining;	GRI 3-3	4. Respect for human rights
	Elimination of discrimination in respect of employment and occupation;		
	The elimination of forced or compulsory labour;		
	The effective abolition of child labour.		
	Corruption and Bribery		
Corruption and Bribery	Measures taken to prevent corruption and bribery;	GRI 3-3 GRI 2-23 GRI 205-1	5. Fight against corruption and bribery
	Measures to combat money laundering,	GRI 3-3 GRI 2-23	5. Fight against corruption and bribery
	Contributions to foundations and non-profit organisations.	GRI 3-3	6. Society
	Company commitments to sustainable development		
Society	The impact of the company's activity on employment and local development;	GRI 3-3	6. Society
	The impact of the company's activity on local populations and the territory;	GRI 3-3	6. Society

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FIELDS	Content	Reporting framework	Section in this report
	Relations with local community stakeholders and the modalities of dialogue with them;	GRI 2-29	6. Society
	Partnership or sponsorship actions.	GRI 2-28	6. Society
	Subcontracting and suppliers		
	Inclusion of social, gender equality and environmental issues in the purchasing policy; Consideration in relations with suppliers and subcontractors of their social and environmental responsibility;	GRI 3-3 GRI 2-6 GRI 308-1 GRI 414-1	6. Society
	Monitoring and audit systems and their results.	GRI 3-3	6. Society
	Consumers		
	Measures for the health and safety of consumers;	GRI 3-3 GRI 416-2	6. Society
	Complaint systems, complaints received and their resolution	GRI 3-3	6. Society
	Tax information		
	Country-by-country profits	GRI 207-4	6. Society
	Taxes on profits paid	GRI 207-4	6. Society
	Public subsidies received	GRI 201-4	6. Society
EU Taxonomy	European taxonomy of sustainable environmental activities	Own methodology based on compliance with Regulation 2020/852.	2. Environmental issues