



Anti-corruption and Anti-fraud Policy

July 2020

Approved by the Board of Directors on 28 July 2020

TABLE OF CONTENTS

1. Introduction and objective.
2. Scope of application.
3. Guiding principles.
4. Ence's Commitments.
5. Communication of infringements
6. Statement of Compliance.
7. Definitions
8. Schedules
 - Schedule I: Adhesion to the Anti-corruption and Anti-fraud Policy.
 - Schedule II: Statement of compliance

1. Introduction and objective

Ence and its Group companies ("Ence" or the "Group") assume the responsibility of actively participating in the fight against corruption and fraud in all areas of its activity. The Ence Board of Directors, which is responsible for formulating the strategy and approving the Company's corporate policies and supervising the internal control systems, approves this Anti-corruption and Anti-fraud Policy.

The Ence values included in the Code of Conduct imply a commitment to the highest standards of integrity, transparency, respect for legality and human rights. We reiterate Ence's commitment to strict compliance with applicable national and international legislation to prevent and combat corruption and fraud.

This Policy establishes its permanent commitment to monitoring and punishing fraudulent acts and practices or those that encourage corruption in all its forms, by persons who fall within the purview of this Policy, to maintaining effective communication and awareness-raising mechanisms and to developing an ethical and honest business culture.

2. Scope of application

This Anti-corruption and Anti-fraud Policy will apply to:

- All the directors, executives and employees of Ence, Energy and Celulosa, S.A. and all its subsidiaries or investees.
- All third parties acting on behalf of Ence (suppliers, employees of contractors or subcontracted companies, customers, agents and intermediaries, etc.)

Compliance with this Policy is mandatory. The aforementioned persons must sign the Statement of Adhesion to the Anti-corruption and Anti-fraud Policy (Schedule I), when they enter into their employment, professional or contractual relationship with Ence.

Ence will promote the adoption of the guiding principles established in this Policy in its subsidiaries in which the Parent does not have effective control, in accordance with applicable legislation.

This Policy cannot anticipate all situations or matters related thereto. It is the responsibility of all directors, executives and employees to request information and advice when dealing with new or unusual situations. In the event of doubts or uncertainties regarding a given situation, the director, executive or employee must contact the Ence Compliance Committee via the email address (comitedecumplimiento@ence.es) before acting.

3. Guiding principles

- Ence rejects and does not tolerate, does not allow and does not engage in any type of corruption, extortion, bribery or fraud in the performance of its business activity, either in the public or private sector.
- Ence promotes and supports a preventive culture based on a criteria of “zero tolerance” towards corruption in business, in all its forms and manifestations, as well as towards the commission of other unlawful acts and situations of fraud and in the application of the principles of ethics and responsible behaviour of all the Group’s directors, executives and employees.
- This criteria of “zero tolerance” towards corruption in business is absolute and takes precedence over the possible attainment of any type of benefit for Ence or for its directors, executives or employees, when it is based on an unlawful business or transaction or contrary to the principles included in the Ence Code of Conduct.
- The relationships between Ence’s executives and employees and the public administrations, authorities, public officials and other persons involved in the exercise of public functions, both national and international, as well as political parties, trade union organisations and similar entities must be governed by the principles of legality, loyalty, trust, professionalism, collaboration, reciprocity and good faith and should be guided by institutional respect and transparency.
- Ence agrees to compete fairly in the markets by promoting free competition for the benefit of consumers and users, always complying with current legislation. All Ence employees must be familiar with and adhere to the ENCE “Action Protocol for Compliance with Defence of Competition Regulations”, as well as the “Manual for Compliance with Defence of Competition Regulations”.
- Ence promotes an environment of transparency, making various tools available to report possible irregularities or breaches or of any act contrary to the law or that included in the Code of Conduct, which are included in the Whistle-blowing Channel Procedure.
- Ence agrees not to retaliate in any way, either directly or indirectly, against persons who, in good faith, have reported, through the tools available to report complaints, any irregular conduct or any act contrary to the law or the Code of Conduct. Likewise, confidentiality and anonymity will be guaranteed, if so requested by the person who submits the report.
- Ence’s relationship with its suppliers and collaborating companies is based on legality and transparency. Ethical and responsible behaviour is one of Ence’s pillars of action

and its suppliers must comply with the Group's policies, rules and procedures relating to the prevention of corruption, bribery or extortion.

- It is particularly important to monitor the behaviour of third parties acting on behalf of Ence, by means of analytical mechanisms that ensure that the company acts with due diligence in this area, as well as by applying classification systems for those third parties based on the risk of breaching the Code of Conduct that they may present. Ence will periodically review this classification to update the risks analysed.

4. Ence's Commitments

Ence's directors, executives and employees, in compliance with the criteria of "zero tolerance" and to prevent corruption in all areas, will carry out all its activities in accordance with current legislation in all countries in which the company carries out its activity and complying with its Code of Conduct. Ence's directors, executives and employees undertake:

- Not to influence the intention, objectivity or decision of persons outside the company to obtain any benefit or advantage by using unethical practices and/or contrary to applicable legislation.
- Not to give, promise, offer, contract or authorise the delivery, either directly or indirectly, of any valuable asset to a national or international official, to a legal person or similar entity, to any natural person, for the purpose of obtaining undue advantages for Ence.
- Not to allow any facilitation payment.
- Not to finance, contribute or show support or support of any type, either directly or indirectly, to any political party or trade union organisation, its foundations or other bodies, representatives or candidates.
- Not to use donations to conceal undue payments.
- Not to solicit, receive or unduly accept, either directly or indirectly, commissions, payments or benefits from third parties on the occasion of or due to the investment, divestment, financing or expense transactions carried out by Ence.
- Not to accept gifts, favours or courtesies when it is known or suspected that they are intended to influence a decision that an Ence employee, executive or director must take or reward them for a previous decision. Furthermore, it is expressly prohibited for an Ence employee, executive or director to request any gift, favour or courtesy from a third party.
- Not to make, offer or receive, directly or indirectly, any cash payment, in kind or any other benefit, to or from any person or intermediary, from the national or international

public or private sector, with the intention that they abuse their influence, real or apparent, to obtain from any entity, public or private, any business or other advantage.

- Not to consent, allow or engage in any type of corruption, extortion or bribery in the performance of their activity in the private or public sector. As a general rule, no gifts, favours or courtesies or any other benefit will be delivered to public or government employees, national or foreign, either directly or indirectly, with the exception of tokens of courtesy and within reasonable limits and that fall within normal business relationships.
- To pay special attention to those cases in which there are indications of a lack of integrity of the persons or entities with which business is carried out, in order to ensure that Ence establishes commercial relationships only with qualified persons and entities and with an appropriate reputation.
- Not to share with a competitor sensitive commercial information from Ence or non-public information from business partners or third parties with its competitors. Furthermore, Ence prohibits obtaining non-public information about competitors through new hires or candidates for a job at Ence.
- To faithfully and appropriately reflect all Ence operations, agreements, actions and transactions in its books and records, avoiding concealing or misappropriating funds or the sources of such funds.
- To promote training on preventing and combating corruption and fraud.

5. Communication of infringements

All employees, executives and directors are obliged to notify any infringement or alleged infringement of the Law or the rules stipulated in this Policy. If they become aware of any infringement or alleged infringement of this rule, they must contact Internal Audit Management or use the tools for reporting complaints established and included in the Whistle-blowing Channel Procedure.

Ence will not discriminate or retaliate in any way against whistle-blowers who, in good faith, report any breach of this Policy, provide evidence relating to the events reported or collaborate or participate in an investigation.

Ence will likewise ensure confidentiality and anonymity, in those cases in which the whistle-blower so wishes.

In the event of a breach of this Policy, employees, executives and directors will be subject to the corresponding disciplinary measures, as well as possible legal proceedings and/or actions.

Likewise, Ence will reserve the right to adopt any measures it considers appropriate against suppliers, contractors or business partners that fail to comply with this rule.

Without prejudice to directors' compliance with this Policy, they will also be subject to a principle of subsidiarity pursuant to which the special rules (laws and regulations) applicable to them prevail over the general rules contained in this Policy, unless the latter are more stringent.

6. Statement of compliance

To ensure that our commitment with regard to this Policy is being monitored, on an annual basis, all directors and managers, as well as all personnel from the Procurement, Sales, Maintenance, Project Engineering, Finance, General Secretariat, Human Capital and Internal Audit departments, will be required to complete the "Compliance Certificate" (Schedule II) which must be sent to Human Capital Management in accordance with the schedule stipulated.

7. Definitions

For the purposes of this Code of Conduct, the following definitions apply:

Ence Directors and Executives:

Members of the governing bodies of Ence, and those belonging to the Steering Committee or performing senior management functions, for which purpose persons with the rank of General Director and Director are included.

Ence employees:

Ence personnel, regardless of the type of contract (fixed-term or indefinite), including workers hired by third companies, or who provide services voluntarily.

Public employees:

Includes any person, regardless of their rank or title, who is an employee of any local, provincial, autonomous, national or international government, international or supranational organisations or regulatory bodies.

This includes all senior positions within political parties and trade union associations, as well as all candidates for political or trade union office.

Bribery:

Offer, deliver or receive any loan, gift, trip or entertainment, donation or payment, promises of future business, tangible and intangible assets or any object of value, either directly or indirectly, in cash or in kind, made to influence the behaviour of a public employee or of any member of the company to obtain or preserve business or to ensure any improper business, commercial or financial advantage for Ence.

Passive Bribery:

Request, agree to receive or accept an improper payment or in-kind benefit so that third parties (providers, suppliers, customers, etc.) can obtain or maintain Ence's business or to ensure any improper advantage for Ence.

Facilitation payment:

Payments or gifts made to third parties for the purpose of obtaining favourable treatment, such as accelerating an administrative process, obtaining a permit, a license or a service.

Extortion:

Pressure that is exercised on someone by means of threats to force them to act in a certain way and thus obtain money or another benefit.

Corruption:

Impairment in the decision-making process in which the decision-maker deviates or demands deviation from the criteria that should govern their decision-making, in exchange for a reward or for the promise or expectation of a private reward or undue advantage.

Fraud:

Intentional action using deception to obtain an undue benefit or advantage.

Schedule I: Adhesion to the Anti-corruption and Anti-fraud Policy

In _____ on _____

20____

Mr/Ms.....

States:

- I have received and read the Ence Anti-corruption and Anti-fraud Policy.
- I understand the guidelines and rules contained in the Policy.
- I agree to comply with the guidelines and rules set out in the Policy.
- I understand that I have the responsibility to notify any action or activity that could be considered unlawful or unethical or that constitutes a real or possible violation of this Policy through the various tools for reporting complaints established by the company, included in the Whistle-blowing Channel Procedure and that are:
 - Email address: canaldenuncias@ence.es
 - Postal address:
Ence Energía y Celulosa
Attn.: Chair of the Audit Committee
Calle Beatriz de Bobadilla, 14
28040 Madrid
- I am aware that if I have any questions concerning the Policy or if I do not understand any of the points contained therein, I should make use of the aforementioned reporting tools.

Signed:

Name (in capital letters):

Position:

Company:

Location:

Schedule II: Annual declaration of compliance with the Anti-corruption and Anti-fraud Policy

In _____ on _____
20____

Mr/Ms.....

States:

- I have received, read and understand the Ence Anti-corruption and Anti-fraud Policy.
- In the performance of my duties at Ence Energy and Celulosa, S.A., or at any of its subsidiaries, I have faithfully complied with the Policy.
- I have communicated the Policy to my direct subordinates and have asked them to:
 - Faithfully comply with the Policy during the performance of their activities.
 - Ensure that the Policy is appropriately communicated to employees within their areas of responsibility.
 - According to the information available to me, no employee or person acting on behalf of Ence Energy and Celulosa, S.A., or any of its subsidiaries, within my specific area of responsibility, has infringed the Policy; if they have, please report it through the tools that the company makes available to you and that are included in the Whistle-blowing Channel Procedure.
- I have notified the Internal Audit Director in writing of any infringement of the Policy of which I was aware.

The above statements are valid for the financial year ended 31 December.....
(insert year).

Signed:

Name (in capital letters):
Position:
Company:
Location: