

## **INTERNAL CODE OF CONDUCT FOR SECURITIES MARKETS**

**26 October 2016**

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## 1. INTRODUCTION AND PURPOSE

The Board of Directors of Ence Energy and Celulosa, S.A. (“**ENCE**” or the “**Company**”), at a meeting held on 26 October 2016, approved a consolidated text of the Internal Code of Conduct for Securities Markets (the “**Code**”) adapted to the European regulatory framework preceded by Regulation 596/2014 of the European Parliament and of the Council of 16 April on market abuse (the “**MAR**”) in compliance with the mandate established by the current law (former section 225.2 of the consolidated text of the Spanish Securities Market Act (*Ley del Mercado de Valores*)).

Royal Decree Law 19/2018, of 23 November, on payment services and other urgent financial measures has subsequently eliminated the obligation of issuers to have an internal code of conduct for securities markets. However, following the recommendation of the Spanish National Securities Market Commission (CNMV), the Company has decided to maintain and update the Code as part of the system of prevention, compliance and internal control, which ensures that the subjects with obligations arising from the market abuse regulation are aware of and comply with those obligations.

This amendment of the Code, which was approved by the Board of Directors of ENCE on 24 November 2020, following a favourable report from the Company’s audit committee, seeks to better adapt to the new disclosure and publication requirements for Inside Information and other relevant information that the CNMV has established since February 2020, as well as the introduction of some technical improvements.

In view of the above, the purpose of this Code is to regulate the rules of conduct to be observed by the Company, its governing bodies, employees and other persons whose actions relating to the securities market are regulated, in accordance with the MAR and the Securities Market Act and their implementing provisions.

## 2. DEFINITIONS

For the purposes of this Code:

**Senior Executives:** Means any executives of ENCE who have regular access to the Inside Information related, directly or indirectly, to the Company as well as powers to adopt management decisions that affect the Company’s future performance and business prospects. In any event, for the purposes of applying this Code, the members of the Steering Committee will be considered Senior Executives.

**External Advisors:** Means the natural or legal persons (and in the latter case, their executives or employees) who, without being considered directors, executives or employees of ENCE or of ENCE Group companies, provide, by whatever title, financial, legal, consultancy or any other type of services for ENCE or ENCE Group companies, provided that as a result of this they have access to Inside Information.

**Liquidity Agreement:** Means any agreement the purpose of which is the provision of liquidity by an intermediary who, acting on behalf of the Company, performs purchase and sale transactions on the official secondary market with the Company's shares, in accordance with Circular 1/2017, of 26 April, of the CNMV on Liquidity Agreements for the purpose of its acceptance as a market practice, or any rule that replaces it in the future and other applicable legislation at any given time.

**Confidential Documents** Means the material - written or computerised storage media or storage media of any other type - containing Inside Information, which will be strictly confidential.

**Ence Group:** Means Ence and those subsidiaries owned by it that are, with regard to Ence, in any of the situations envisaged in section 42 of the Spanish Commercial Code (*Código de Comercio*).

**Inside Information:** Means any specific information that refers, either directly or indirectly, to Marketable Securities or Financial Instruments (as defined below) or to the issuer thereof, that has not been made public and that, if made public, could significantly influence the prices of such Marketable Securities or Financial Instruments or, where applicable, derivative financial instruments related thereto.

Information will be considered to be specific if it indicates a series of circumstances that arise, or can reasonably be expected to occur, or an event that has occurred, or that can reasonably be expected to occur, provided that that information is sufficiently specific to allow a conclusion to be drawn on the effects that those circumstances or that event may have on the prices of the corresponding Marketable Securities or Financial Instruments, or, where applicable, of the derivative financial instruments related to them.

In this respect, if it is a process that extends over time the intention of which is to generate, or that has as a consequence, certain circumstances or a specific event, (i) both that circumstance or that future event and (ii) the intermediate stages of that process that are linked to the

generation or provocation of that future circumstance or that event may be considered specific information.

An intermediate stage of a process that extends over time will be considered Inside Information if, by itself, it meets the criteria relating to the Inside Information referred to in this Code.

Inside Information will also mean information that, if made public, could significantly affect the prices of the Marketable Securities and Financial Instruments, or, where applicable, the prices of the related financial derivative instruments; information that a reasonable investor would likely use as one of the basic motivating elements of their investment decisions.

**Insiders:** Means each person, including External Advisors, who has access to the Inside Information as a result of their participation or involvement in a transaction, during the time they appear on the Insider List of that project.

Insiders will cease to be Insiders when the Inside Information that gave rise to the creation of the aforementioned Insider List is disclosed to the market through the communication required in accordance with the applicable legislation or cease to be Insiders in another way (for example, when the transaction that gave rise to the Inside Information is suspended or abandoned) and, in all cases, when so notified by the Regulatory Compliance Officer.

**Persons with Managerial Responsibilities:** Means the persons indicated in paragraphs 1 and 2 of the definition of Regulated Persons.

**Regulated Persons:** The following will be Regulated Persons:

1. Members of the Company's Board and its representatives when they are legal persons;
2. Senior Executives;
3. If they are not Board members, the Secretary and, where applicable, Deputy Secretary of the Company's Board, as well as, where applicable, the Company's Secretary General, the director of the legal department and the lawyer that advises the Board (when they are not the Secretary);
4. The directors of ENCE Group companies other than the Company, as well as the employees of the Company as well as of the other ENCE Group companies that, not being Persons with Managerial Responsibilities, carry out their work in areas related to the securities markets,

treasury shares, investor relations and regular public information or that have customary access to Inside Information; and

5. Any other person included within the scope of this Code by decision of the Board, the executive committee or the Regulatory Compliance Officer in view of the circumstances in each case.

**Connected Persons:** Means, in relation to Persons with Managerial Responsibilities, (i) the spouse of the Person with Managerial Responsibilities or any person deemed to be equivalent to the spouse under national law; (ii) the dependent children; (iii) relatives who live with them or of which they are in charge, at least from one year before the date of carrying out any transactions involving Marketable Securities or Financial Instruments; (iv) any legal person or any trust legal business or association in which the Persons with Managerial Responsibilities or those referred to above hold a managerial position<sup>1</sup>, or who are directly or indirectly controlled by the Persons with Managerial Responsibilities; or that has been created for their benefit; or whose economic interests are largely equivalent to those of the Persons with Managerial Responsibilities; and (v) other persons or entities to whom this consideration is attributed in the legal provisions in force at any given time.

**Regulatory Compliance Officer:** ENCE's finance director, general secretary or director of the legal department or, alternatively, the person who, following a favourable report from the audit committee, is appointed by the board as the person responsible for monitoring and controlling compliance.

**Marketable Securities or Financial Instruments:** Marketable Securities or Financial Instruments means

1. fixed-income securities or equity issued by any ENCE Group company traded on an official secondary market or other regulated markets, on multilateral trading facilities or on other organised secondary markets (secondary markets").
2. Financial instruments and contracts of any kind that grant the right to acquire the above securities, including those that are not traded on secondary markets.

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<sup>1</sup> The reference to "holding a managerial position", for these purposes, implies the capacity to take part in or be able to influence the decision-making of the legal person in question to carry out transactions involving ENCE's or the ENCE Group's financial instruments.

3. Financial instruments and contracts, including those not traded on secondary markets, the underlying assets of which are securities or instruments issued by any ENCE Group company.

4. For the sole purpose of Article 5 of this Code and the definition of Inside Information, those securities or financial instruments issued by other companies or entities with regard to which Inside Information is available.

### **3. SUBJECTIVE SCOPE OF APPLICATION**

#### **3.1. Regulated Persons, Connected Persons and Insiders**

Unless expressly indicated otherwise, this Code will apply to the Regulated Persons and, where applicable, to the Connected Persons and to the Insiders in their capacity as such, without prejudice to the application to all of them of the current law at any given time.

#### **3.2. Register of Regulated Persons and Connected Persons**

The Regulatory Compliance Officer will maintain at all times an updated register of the Persons subject to this Code, which will include, at least (i) the identity and position of each Regulated Person; and (ii) the dates on which the register is created and updated. The Regulatory Compliance Officer will inform the Regulated Persons of their inclusion in the aforementioned register and of the points envisaged in the data protection current law at any given time.

Likewise, the Regulatory Compliance Officer will keep an updated register of all Connected Persons of Persons with Managerial Responsibilities. For these purposes, the Persons with Managerial Responsibilities will notify the Regulatory Compliance Officer of their Connected Persons at any given time and will inform them of their obligations under this Code by written notice, of which they will retain a copy. To facilitate compliance with this obligation, a template for notifying the Connected Persons is included as Schedule 2 to this Code.

### **4. RULES OF CONDUCT IN RELATION TO OWN ACCOUNT TRANSACTIONS**

#### **4.1. Resale prohibition period**

The Marketable Securities or Financial Instruments acquired may not be sold on the day on which the purchase transaction is carried out.

#### 4.2. Restricted Periods

1. Regulated Persons will refrain from carrying out any transaction, either on their own or as an employee, either directly or indirectly, in relation to Marketable Securities or Financial Instruments during the 30 calendar days prior to the date on which the periodic financial results reports that the Company must send to the CNMV and the Stock Exchange Management Companies are made public (the “**Restricted periods**”).
2. Without prejudice to Articles 5.2 and 7.1 of this Code and other applicable legislation, the Regulatory Compliance Officer may grant Shareholders express authorisation to transact during Restricted Periods, after accreditation by the person in question that the specific transaction cannot be carried out at any other time, in any of the following cases:
  - (i) on a case-by-case basis, where there are exceptional circumstances, such as the existence of serious financial difficulties, which require the immediate sale of Marketable Securities or Financial Instruments;
  - (ii) when transactions are negotiated within, or in relation to, an employee options or savings plan or in relation to the qualification or subscription of shares; or
  - (iii) when transactions are negotiated in which there are no changes in the ultimate ownership of the Marketable Securities or Financial Instruments in question.

In this case, the competence to authorise the Regulatory Compliance Officer’s personal transactions involving Marketable Securities or Financial Instruments will correspond to the audit committee.

3. The Regulatory Compliance Officer will inform the audit committee of any authorisations that have been requested.
4. The Regulatory Compliance Officer may agree to prohibit or to subject transactions involving Marketable Securities or Financial Instruments of all or certain Regulated Persons to mandatory prior authorisation for the period of time they determine, when so justified by the circumstances.



#### **4.3. Disclosure obligation**

1. Persons with Managerial Responsibilities and their Connected Persons must notify the Company and the CNMV, without delay and at the latest within three business days, of any transaction involving Marketable Securities or Financial Instruments performed on their own behalf. The communications will be made in the format, with the content and by the means legally established at any given time. The Company will ensure that the information notified in accordance with the foregoing is made public without delay and at the latest within the period stipulated.
2. On the other hand, the Regulated Persons other than the Persons with Managerial Responsibilities must declare transactions involving Marketable Securities or Financial Instruments by sending a detailed report within five business days of the day on which the transaction was carried out, addressed to the Regulatory Compliance Officer, describing the transactions, including the identity of the Marketable Securities or Financial Instruments, the date, the quantity and the price of the transaction.
3. The Regulatory Compliance Officer may require any Regulated Person to provide additional information on any transaction involving the Company's Marketable Securities or Financial Instruments. Regulated Persons must respond to that request within five days of receiving it.
4. As an exception to the above, Regulated Persons other than directors and their Connected Persons will not be obliged to issue the notifications referred to in the preceding paragraphs when, within one calendar year, the total amount of transactions involving Marketable Securities or Financial Instruments performed on their own account does not exceed EUR 20,000 or any higher amount that the CNMV may establish. The aforementioned threshold will be calculated as the sum of all transactions referred to in the preceding paragraph and transactions of different natures may not offset one another.

This exception will also apply to the transaction reporting obligations of Connected Persons of directors provided that the corresponding directors do not have discretion regarding the exercise of voting rights.

#### **4.4. Portfolio management**

The disclosure obligations laid down in Article 4.3 (1) will also apply to transactions involving Marketable Securities or Financial Instruments on behalf of Persons with Managerial Responsibilities or their Connected Persons carried out by a third party within the framework of the provision of a discretionary portfolio management service.

For these purposes, discretionary portfolio management contracts should include the manager's obligation to immediately inform the corresponding Person with Managerial Responsibilities or Connected Person of the performance of transactions involving Marketable Securities or Financial Instruments so that that person can comply with their disclosure obligation.

Portfolio management contracts signed before being considered a Regulated Person must be adapted to that stipulated here and, in the meantime, the manager will refrain from performing transactions involving Marketable Securities or Financial Instruments on behalf of the Person with Managerial Responsibilities or the Connected Person.

The other obligations envisaged in Article 4 will not apply to transactions involving Marketable Securities or Financial Instruments ordered — without any involvement whatsoever of the Persons with Managerial Responsibilities or their Connected Persons — by entities in relation to which they have a stable mandate to manage their securities portfolios.

In any event, Persons with Managerial Responsibilities must notify the Regulatory Compliance Officer of the existence of such agreements, including those signed by their Connected Persons, within fifteen days of their signature and the identity of the management entity. Persons with Managerial Responsibilities and their Connected Persons entering into a portfolio management contract should ensure that the management entity and the manager of their portfolio are aware of the rules of conduct to which they are subject and that both act accordingly, and will order the management entity to handle all information requirements that the Regulatory Compliance Officer may make in relation to transactions involving Marketable Securities or Financial Instruments.

#### **4.5. Communications file**

The Regulatory Compliance Officer will keep communications, notices, relationships, registrations and any other action related to the obligations contained in this Article duly filed. The data filed will be strictly confidential.

#### **4.6. Obligation of directors and executives**

The preceding paragraphs are without prejudice to the obligation of directors and senior executives and their related parties to disclose transactions and significant holdings in compliance with transparency regulations and other applicable legislation.

### **5. RULES OF CONDUCT IN RELATION TO INSIDE INFORMATION**

#### **5.1. General guiding principles**

Persons with Inside Information will be obliged to:

- i. To safeguard it, without prejudice to their duty to disclose and collaborate with the judicial and administrative authorities in accordance with the Securities Market Act, MAR and other applicable legislation;
- ii. To take appropriate measures to prevent such Inside Information from being used abusively or unfairly and, where appropriate, to immediately take the necessary measures to correct the consequences arising therefrom;
- iii. To expressly notify the persons to whom the Inside Information has been transmitted of the nature of such information and of their duty of confidentiality and the prohibition of its use.
- iv. Immediately notify the Regulatory Compliance Officer of any abusive or unfair use of the Inside Information of which they are aware.

#### **5.2. Prohibitions**

Persons with Inside Information:

1. They will refrain from acquiring, transmitting or assigning, either directly or indirectly, on their own behalf or as an employee, the Marketable Securities or Financial Instruments or any other security, financial instrument or contract of any type, traded or otherwise in a secondary market, the underlying asset of which are Marketable Securities or Financial Instruments, to which the Inside Information refers. The use of this type of information by cancelling or modifying an order related to the Marketable Security or Financial Instrument

to which the information refers will also be considered a transaction with Inside Information, when the order has been given before the interested party has knowledge of the Inside Information. They should also refrain from merely attempting to carry out any of the above transactions.

2. They will not disclose such Inside Information to third parties unless it is necessary to responsibly carry out their work, profession, position or functions, and according to the requirements of this Code.
3. They will not recommend or induce third parties to acquire, transfer or assign Marketable Securities or Financial Instruments or to cancel or modify an order relating to them, or to cause another to acquire, transfer or assign them or cancel or modify an order relating to them, based on the Inside Information.

The subsequent disclosure of the aforementioned recommendations or inductions will also constitute unlawful disclosure of the Inside Information when the person disclosing the recommendation or inducement knows or should know that it was based on Inside Information.

When the person is a legal person, this Article will also apply to natural persons who take part in the decision to acquire, transfer or assign, or cancel or modify an order relating to Marketable Securities or Financial Instruments on behalf of the legal person in question.

4. In general, they will comply with the applicable legislation and this Code.

### **5.3. Legitimate behaviour**

For the purposes of the preceding paragraphs, unless the CNMV determines that there is no legitimate reason to perform the transaction in question, a person in possession of Inside Information will not be considered to have transacted with it in the following cases:

1. Provided that that person carries out a transaction to acquire, transfer or assign Marketable Securities or Financial Instruments and the transaction is carried out in good faith in compliance with an obligation that has become due and not to circumvent the prohibition on transactions with Inside Information, and:

- (a) the obligation arises from an order given or from an agreement entered into before the person in question became aware of the Inside Information; or
  - (b) the purpose of the transaction is to comply with a legal or regulatory provision before the date on which the person in question became aware of the Inside Information.
2. In general, provided that the transaction is carried out in accordance with the applicable law.

Transactions or orders arising from the implementation by the Company of share repurchase or security stabilisation programs will not be considered included in this Article provided that the legally established conditions are met.

#### **5.4. Other obligations in relation to Inside Information**

During the study phase of any legal or financial transaction that could significantly influence the price of the Marketable Securities or Financial Instruments, the following measures will be observed to safeguard the Inside Information:

- i. Strictly limit the knowledge of the Inside Information to those persons, whether personnel of ENCE or its Group of companies or external advisors, to whom it is essential, immediately informing the Regulatory Compliance Officer.
- ii. Create and keep up to date a list of Insiders containing the identity of all persons with access to the Inside Information (the “**Insider List**”).

The content and format of the Insider List will comply with the applicable legislation. In any event, the Insider List will be prepared and updated in electronic format in accordance with the templates in Schedule 3.

The Insider List will be divided into separate sections that will correspond to different Inside Information. Each section will only include the data of persons who have access to the Inside Information to which that section refers.

The Company may include an additional section in its Insider List containing the data of persons with permanent access to the Inside Information. In that case, the persons recorded in that section should not be registered in the other sections of the Insider List.

This Insider List should be updated immediately in the following cases:

(a) when there is a change in the reasons which a person appears on that Insider List;

(b) when a new person must be included on that Insider List;

and

(c) when a person appearing on the Insider List ceases to have access to the Inside Information, in which case the date on which this circumstance occurs will be recorded.

The data recorded on the Insider List must be stored for at least five years from the date it is created or, if updates have been made, from the last update.

The Regulatory Compliance Officer will expressly inform the persons included on the Insider List of the reserved nature of the information and their duty of confidentiality with regard to that information, of the prohibition of its use and of any infringements and penalties that, where applicable, arise from its improper use. The Regulatory Compliance Officer will take all reasonable measures to ensure that these persons recognize in writing their legal and regulatory obligations and prohibitions with regard to the Inside Information and that they are aware of the penalties applicable to transactions with the Inside Information and to the unlawful disclosure of the Inside Information.

Likewise, the Regulatory Compliance Officer must inform the data subjects of their inclusion on the Insider List and of the other points stipulated in the data protection legislation.

- iii. Establish security measures for the custody, filing, access, reproduction and distribution of the Inside Information in accordance with the restrictive rules contained in this Code.
- iv. Monitor the evolution in the market of the Marketable Securities or Financial Instruments and the news that the professional transmitters of economic information and the media broadcast and that may affect them.
- v. In the event of an abnormal evolution of the volumes contracted or the prices negotiated and there are rational indications that such evolution is taking place as a result of a premature, partial or distorted dissemination of the Inside Information, immediately

disseminate a communication to the CNMV that clearly and accurately reports the status of the transaction in progress or that contains an advance of the information to be provided.

- vi. Subject transactions involving treasury shares or financial instruments referenced to them to measures that prevent investment or divestment decisions from being affected by knowledge of Inside Information.

#### **5.5. Dissemination of Inside Information**

The Company will make public, as soon as possible, the Inside Information that concerns it directly through the channels arranged for it at any given time by the CNMV. It will ensure that the Inside Information is made public in a way that allows a complete, correct and timely assessment of the information by the public. The content of the disclosure must be accurate, clear and complete so that it does not lead to confusion or deception, and must comply with the requirements related to form stipulated in securities market legislation.

The Inside Information communications will be accessible via the Company's corporate website as soon as they have been communicated to the CNMV so as to allow quick, free and non-discriminatory access, and will be published for a period of five years.

The Regulatory Compliance Officer, or the person or persons designated for that purpose by them, will periodically monitor that the content of the Company's corporate website complies with that requirement and, in general, with all the information requirements arising from its status as a listed Company.

To ensure that the Inside Information is transferred to the market in a symmetrical and equitable manner, the persons with access to it will refrain from providing it to third parties such as analysts, shareholders, investors or the press if it has not been previously or simultaneously provided to the general market, unless those third parties are Insiders.

#### **5.6. Delay in public dissemination of Inside Information**

Notwithstanding the above, the Company may delay, under its own responsibility, the public dissemination of the Inside Information provided that all of the following conditions are met:

- (i) the immediate dissemination could harm the legitimate interests of the Company;
- (ii) the delay in dissemination cannot lead the public to confusion or deception; and

- (iii) the Company is able to ensure the confidentiality of the information.

In addition, subject to compliance with the conditions provided in paragraphs (i), (ii) and (iii) above, the Company may also delay, under its own responsibility, the public dissemination of the Inside Information related to an extended process that takes place in various stages with which it intends to generate or that has as a result certain circumstances or a specific event.

To determine whether the public dissemination of the Inside Information is delayed, and, where applicable, to monitor the delay, an internal committee will be formed consisting of the CEO, the Regulatory Compliance Officer, the General Secretary or Director of the Legal Department and the General Director of Corporate Finance (the “**Monitoring Committee**”). The Monitoring Committee will take into account, where applicable, any recommendations and guidelines that may be issued in this regard by the official securities market supervisory bodies. If the specific nature of the transaction, for the purposes of its consideration as Inside Information, requires the adoption of an agreement by a corporate body (the Board or its committees), that body will be responsible for deciding, where applicable, whether to delay publication, at the proposal of the Monitoring Committee.

If the Monitoring Committee, or the competent body in accordance with the preceding paragraph, decides to delay the dissemination of the Inside Information, the Regulatory Compliance Officer, or the person or persons designated by them for such purpose, will immediately record the decision in a written document in which they must record the following data:

- I. The date and time when:
  - (a) the Inside Information arises,
  - (b) the decision is taken to delay its dissemination, and
  - (c) it is expected to be made public
  
- II. The identity of the persons forming part of the internal committee who:
  - (a) decide to delay the disclosure of the Inside Information,
  - (b) monitor the delay, and
  - (c) decide to publish the Inside Information



III. The written assessment that conditions (i), (ii) and (iii) defined in the first paragraph of this paragraph for the delay in the public disclosure of the Inside Information are all met.

If the dissemination of the Inside Information is delayed, the Company must inform the CNMV in the terms established in the regulations applicable at any given time.

If having delayed the public dissemination of the Inside Information, its confidentiality ceases to be guaranteed, the Company will make that information public as soon as possible (including those cases in which a rumour expressly refers to the Inside Information the dissemination of which has been delayed when the degree of the rumour is sufficient to indicate that the confidentiality is no longer guaranteed).

## **6. CONFIDENTIAL DOCUMENTS**

The Regulated Persons and the Insiders will endeavour to appropriately preserve the Confidential Documents and maintain their reserved nature, being responsible for their custody and storage and maintaining their confidentiality.

In the case of External Advisors whose ethical standards do not require the duty of confidentiality of the information or documentation to which they have access, the Regulated Persons and the Insiders that facilitate their access to the Confidential Documents or the Inside Information will require that they sign a non-disclosure agreement in advance, unless they have a legal obligation to maintain its confidentiality.

## **7. MARKET MANIPULATION**

### **7.1. Market manipulation prohibition**

Regulated Persons and Insiders will refrain from manipulating or attempting to manipulate the market. Market manipulation means:

1. Issuing orders or performing transaction in the market or any other behaviour that:
  - (a) convey or may convey false or misleading signals as to the supply, demand or price of the Company's Marketable Securities or Financial Instruments;
  - (b) set or may set the price of one or more of the Company's Marketable Securities or Financial Instruments at an abnormal or artificial level, unless the person who carried

out the transactions or issued the orders or performed any other practices demonstrates that that that transaction, order or conduct was carried out for legitimate reasons and in accordance with a market practice accepted by the CNMV.

2. The involvement of one person or several in a concerted manner to ensure a dominant position over the supply or demand of a Marketable Security or Financial Instrument that affects or may affect the fixing, either directly or indirectly, of purchase or sale prices or that creates or may create other unfair trading conditions.
3. Issuing orders or performing transactions or any other activities or practices that affect or may affect, by means of fictitious mechanisms or any other form of deception or artifice, the price of one or more Marketable Securities or Financial Instruments.
4. Disseminating, through the media, including the Internet, or by any other means, information that conveys or may convey false or misleading signals with regard to the supply, demand or price of the Marketable Securities or Financial Instruments, or, thereby setting the price of one or more Marketable Securities or Financial Instruments at an abnormal or artificial level, including the dissemination of rumours, when the person who disclosed them knew or should have known that the information was false or misleading.
5. Transmitting false or misleading information or providing false data in relation to benchmark indexes when the author of the transmission or the supply of data knows or should have known that they were false or misleading, or any other behaviour that entails manipulation of the calculation of a benchmark index.
6. The purchase or sale of Marketable Securities or Financial Instruments when the market opens or closes that has or may have the effect of confusing or deceiving investors operating based on the prices shown, including the opening or closing prices.
7. Executing orders at a trading venue, including the cancellation or modification thereof, through any available trading methods, including electronic means, such as algorithmic and high-frequency trading strategies, that produce any of the effects referred to in paragraphs 1 or 2 above, by:
  - (a) disrupting or delaying the functioning of the negotiation mechanism used or increasing the probabilities that this occurs;

- (b) hindering other persons from identifying authentic orders in the negotiation mechanism or increasing the probability of hindering it; or
  - (c) creating or being able to create a false or misleading signal with regard to the supply and demand or the price of a Marketable Security or Financial Instrument.
8. Taking advantage of occasional or periodic access to traditional or electronic media by expressing an opinion on the Marketable Securities or Financial Instruments or, indirectly, on their issuer, after having taken positions in relation to that Security or Financial Instrument and then taking advantage of the repercussions of the opinion expressed regarding the price of that Security or Financial Instrument, without having simultaneously communicated that conflict of interest to the public appropriately and effectively.
9. Any other action that the competent authorities consider to be market manipulation.

To determine whether a conduct constitutes market manipulation, the indicators of manipulation stipulated in the current law at any given time will be taken into account.

When the Regulated Person or the Insider is a legal person, this Article will also apply to the natural persons involved in the manipulation or attempt to manipulate the market on behalf of the legal person in question.

## **7.2. Exceptions**

The following transactions or orders will not be considered included in this Article:

1. those arising from the implementation by the Company of share repurchase or security stabilisation programs will not be considered included in this Article provided that the legally established conditions are met; and
2. in general, those made in accordance with the applicable legislation.

## **8. TREASURY SHARE TRANSACTIONS**

### **8.1. General rules**

- 1.- For the purposes of this Code, Treasury Share Transactions will be those that are carried out, either directly or indirectly, by ENCE or by ENCE Group companies the object of which are shares of the Company or financial instruments or contracts of any type, traded or otherwise on organised secondary markets, that grant a right to the acquisition of, or the underlying assets of which are, shares of the Company (the “Treasury Share Transactions”).
- 2.- The Treasury Share Transactions must be carried out with the limits, conditions and requirements established in the applicable Spanish Corporate Enterprises Act (*Ley de Sociedades de Capital*) and securities market regulations. Within the scope of the authorisation granted by the General Shareholders Meeting and without prejudice to the applicable regulations, the Company’s Board of Directors will be responsible for determining the general criteria or the specific instructions for performing Treasury Share Transactions.
- 3.- Treasury Share Transactions will always have legitimate purposes, such as providing investors with adequate liquidity and depth in the trading of the Company’s shares, executing purchase programs approved by the Board of Directors or resolutions of the general shareholders meeting or complying with legitimate commitments assumed previously or any other admissible purposes in accordance with the applicable legislation. Under no circumstances will transactions involving Marketable Securities or Financial Instruments carried out by the Company or ENCE Group companies be for the purpose of intervening in the free price formation process in the market or favouring certain shareholders.
- 4.- Unless the audit committee has previously issued a favourable report, the Company must not arrange Treasury Share Transactions with Group companies, their directors, their significant shareholders or either of their nominees.
- 5.- Treasury Share Transactions will always be carried out pursuant to the principle of neutrality and maximum transparency.
- 6.- Treasury Share Transactions will not, under any circumstances, be carried out based on Inside Information.

## **8.2. Execution of the Treasury Share Transactions**

- 1.- As authorised by the Board of Directors of ENCE with regard to Treasury Share Transactions and as permitted by the applicable legislation, the enforcement of decisions to purchase and sell, provided that they have not been delegated to a third party through a Liquidity Agreement, will correspond to ENCE's financial department.
- 2.- ENCE's financial department will designate, from among its members, the person specifically responsible for carrying out and monitoring Treasury Share Transactions other than those delegated to a third party through a Liquidity Agreement, ensuring that such person does not have access to the content of the Inside Information and does not participate in the process of preparing and adopting relevant decisions, and to whom the corresponding general instructions will be sent in writing.
- 3.- The performance of the Treasury Share Transactions will be governed by the rules applicable at any given time.

## **8.3. Remuneration plans for ENCE's executives**

The Treasury Share Transactions consisting of the acquisition of shares of the Company in the implementation of remuneration plans for its executives that entail the delivery or are tied to the value of shares or options on the shares of the Company approved by the Board will be carried out taking into account the particular characteristics of these types of transactions, in the form and with the peculiarities established by the Board when approving such plans, and other applicable legislation on treasury shares.

## **8.4. Communication of Treasury Share Transactions**

ENCE's financial department will be responsible for communicating the official notices of transactions carried out involving securities required by the current law at any given time, as well as maintaining the appropriate control and registration of such transactions and informing the Regulatory Compliance Officer, where applicable.

## **9. REGULATORY COMPLIANCE OFFICER**

### **9.1. Functions of the Regulatory Compliance Officer**

1. The Regulatory Compliance Officer will have the following functions:

- a) Comply with and enforce the rules of conduct and procedures related to securities markets and the rules of this Code, as well as the complementary regulations on these matters, now and in the future.
- b) Implement the procedures and rules contained in this Code that it considers appropriate, and in particular the information requirements and control rules.
- c) Disseminate the Code and rules of conduct related to the securities markets to all Regulated Persons, ensuring that their content is understood and accepted by all of them.
- d) Interpret the rules contained in the Code and resolve any doubts raised by Regulated Persons.
- e) Prepare and keep the records and file of the communications to which this Code refers.
- f) Investigate disciplinary proceedings against Regulated Persons for breaching the rules of this Code.
- g) The others functions established in the different sections of this Code.

### **9.2. Powers**

When performing their functions, the Regulatory Compliance Officer may:

- i. Request any data or information that they consider necessary for the Regulated Persons or any other director or employee of ENCE or of the ENCE Group companies, even if they are not Regulated Persons.
- ii. Establish specific periodic or timely reporting procedures, as well as any control and oversight procedures that they consider appropriate.

- iii. If deemed necessary, appoint compliance officers, for the purposes of this Code and the rules of conduct in relation to securities markets, in the various areas or departments of ENCE and of the ENCE Group companies.
- iv. Propose to the Board of Directors of ENCE the amendments to this Code that they determine are necessary to ensure the most stringent compliance with the rules of conduct in relation to securities markets, and in all cases, when such amendments are necessary in order to incorporate the requirements imposed by the regulatory standards that may be passed to implement current legislation, or by the new provisions that may be passed in the future on the matter.

### **9.3. Information**

When so requested and as many times as they consider necessary, the Regulatory Compliance Officer will inform the audit committee and/or the board of directors of ENCE of the degree of compliance with this Code, with the measures and decisions adopted and of the incidents that occur.

## **10. VALIDITY AND BREACH**

### **10.1. Validity**

The Code will enter into force on the day it is approved by the Board of Directors of ENCE.

Once approved, the Regulatory Compliance Officer will send comprehensive notice of such approval and the content of this Code to all Regulated Persons in writing, in response to which each of them individually will record that they understand its content and expressly accept it under the terms of the document attached as Schedule 1.

### **10.2. Breach**

Breach of this Code will give rise to the corresponding liability according to the nature of the relationship that the person in breach has with the Company.

The foregoing is without prejudice to the administrative liability arising from the Securities Market Act and any other liabilities resulting from the applicable law.





## SCHEDULE 1

### STATEMENT OF RECEIPT AND ACCEPTANCE

**Attn: Regulatory Compliance Officer**

**Re: Internal Code of Conduct for Securities Markets**

Re: Statement of receipt and conformity

[Place], [day] [month] [year]

I notify you that I have been duly informed of the content of the Internal Code of Conduct for Securities Markets of Ence Energy and Celulosa, S.A. and its group companies (the “**Code**”), a copy of which I have received and with which I am familiar, I understand and I accept, and I agree to comply with any obligations to which I am subject pursuant thereto.

Furthermore, I declare that I have been informed that the inappropriate use of the inside information to which I may have access, as well as the breach of the other obligations provided in this Code could constitute:

- (i) a gross infringement envisaged in section 282 of the consolidated text of the Securities Market Act approved by Royal Legislative Decree 4/2015, of 23 October (the “**Securities Market Act**”), punishable in the manner established in section 302 of the Securities Market Act and Article 30 of Regulation 596/2014 of the European Parliament and of the Council of 16 April on market abuse (the “**MAR**”) and its implementing regulations, including fines or removal from office;
- (ii) a serious infringement envisaged in section 295 of the consolidated text of the Securities Market Act, punishable in the manner envisaged in section 303 of the Securities Market Act and Article 30 of the MAR and its implementing regulations with, among others, fines or suspension from office; or
- (iii) an offence of Insider Dealing on the stock market provided for in section 285 of Spanish Organic Law 10/1995, of 23 November, on the Spanish Criminal Code (*Código Penal*), punishable in the manner established in section 285 of the Criminal Code with fines, public reprimands, removal from office and custodial sentences.

Lastly, in accordance with current data protection legislation, I grant the following authorisation to process my personal data:

Mr/Ms \_\_\_\_\_ with **national identification document number** \_\_\_\_\_ authorises the processing of the personal data provided, as established in **Regulation (EU) 2016/679 of the European Parliament and of the Council**. These data will be processed by the Company, “**Ence Energy Celulosa, S.A.**” as Controller (“ENCE”), with tax identification number A28212264, registered office at C/ Beatriz de Bobadilla, 14, 4ª Planta, 28040, Madrid, with telephone number 34 91 337 85 00 and emailinfo@ence.es.

You expressly consent to have your personal data **included in a Register of Regulated Persons when so required by the Internal Code of Conduct for Securities Markets of Ence Energy and Celulosa, S.A., securities market legislation and the market abuse regulation, and processed for the purpose of complying with that regulation..**

The data collected for this purpose will be as follows:

- Name and surnames
- National identification document
- Email

#### **Data storage period**

The personal data provided will be stored for 5 years after the Register of Regulated Persons has been updated.

#### **Communication of data to third parties**

We inform you that your data will only be assigned or transferred to other Group companies or third parties that provide services related to the processing purposes for which the data were collected (for example, external management, third parties that provide technological support services, etc.).

Furthermore, your data will not be transferred to countries outside the European Union, unless necessary for the provision of technical services, i.e., in the event the servers of the providers of technological resources or systems are hosted in countries outside the European Union.

However, ENCE may transfer your data to third parties if such transfer is required by law, by a regulatory provision or by a court ruling, or if this disclosure is necessary to ensure the protection and defence of its rights.

#### **Rights of the data subject**

In accordance with Spanish and European laws and regulations regarding data protection, at any time you may exercise your rights of access, rectification, erasure or to be forgotten, to object, not to be the subject of automated, individual decision-making, to data portability and restriction of processing.

These rights can be exercised in accordance with the following procedure:

1. Accessing the Ence Group’s website, [www.ence.es](http://www.ence.es), and downloading and completing the online form “Instructions for Exercising the Rights of Data Subjects”.
2. Sending the completed request form to [lopdp@ence.es](mailto:lopdp@ence.es) or to ENCE’s registered office (C/ Beatriz de Bobadilla, 14, 4ª Planta, 28040, Madrid) together with a copy of your national identification document.

Sincerely,

\_\_\_\_\_  
[Regulated Person]

## SCHEDULE 2

### MODEL FOR NOTIFYING CONNECTED PERSONS

Attn: [●]

**Re: Internal Code of Conduct for Securities Markets**

In [●], on [●] [●] [●]

Dear [●]:

In compliance with Article 3.2 of the Internal Code of Conduct for Securities Markets of Ence Energy and Celulosa, S.A. and its Group companies ("**Code**"), as well as in current regulations, I inform you that you meet the conditions to be considered a person closely connected to me ("**Connected Person**") as a Person with Managerial Responsibilities within ENCE Energy and Celulosa, S.A. ("**ENCE**" or the "**Company**").

Since you are considered a "**Connected Person**", you are subject to the regime and the obligations established by law for such cases and that is included in Regulation 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (the "**MAR**") and its implementing regulations.

In particular, in accordance with Article 4.3 of this Code, you are obligated to notify both ENCE and the CNMV of the transactions you execute on your own behalf relating to shares or other financial instruments of ENCE or related thereto in accordance with the aforementioned Article.

Furthermore, the relationship between Connected Persons and Persons with Managerial Responsibilities, and that ascribes them the status of Connected Person, exposes them in a particularly intense manner to the possibility of receiving Inside Information (as defined in the applicable legislation and in this Code) of the Company and, in this regard, you are informed that the inappropriate use of the Inside Information to which you may have access, as well as the breach of the other obligations stipulated in the applicable Regulation could constitute:

- (i) a gross infringement envisaged in section 282 of the consolidated text of the Securities Market Act approved by Royal Legislative Decree 4/2015, of 23 October (the "**Securities Market Act**"), punishable in the manner established in section 302 of the Securities Market Act and Article 30 of the MAR and its implementing regulations, including fines or removal from office;
- (ii) a serious infringement envisaged in section 295 of the Securities Market Act, punishable in the manner established in section 303 of the Securities Market Act

and Article 30 of the MAR, and its implementing regulations, including fines or suspension of the holding of office; or

- (iii) an offence of Insider Dealing on the stock market provided for in section 285 of Spanish Organic Law 10/1995, of 23 November, on the Criminal Code, punishable in the manner established in section 285 of the Criminal Code with fines, public reprimands, removal from office and custodial sentences.

To facilitate compliance with the aforementioned regulations and with this Code the objective of which is, inter alia, to regulate the rules of conduct to be observed by Connected Persons in their actions relating to the securities market, in accordance with the MAR, the Securities Market Act and related provisions, a copy of this Code is attached.

Lastly, in accordance with current data protection legislation, please sign and return to me the following authorisation to process your personal data.

Please acknowledge receipt of this letter by signing it and returning it to me.

Signed:

[Name and surnames of the Regulated Person]

[Position of the Regulated Person]

I acknowledge receipt of this letter and of the obligations contained herein.

In ....., on ..... ..

Signed:

[Name and surnames of the Connected Person]

Mr/Ms\_ with **national identification document number**\_\_\_\_\_ authorises the processing of the personal data provided, as established in **Regulation (EU) 2016/679 of the European Parliament and of the Council**. These data will be processed by the Company, “**Ence Energy Celulosa, S.A.**” as Controller (“ENCE”), with tax identification number A28212264, registered office at C/ Beatriz de Bobadilla, 14, 4ª Planta, 28040, Madrid, with telephone number 34 91 337 85 00 and email [info@ence.es](mailto:info@ence.es).

You expressly consent to have your personal data **included in a Register of Regulated Persons when so required by the Internal Code of Conduct**

for Securities Markets of Ence Energy and Celulosa, S.A., securities market legislation and the market abuse regulation, and processed for the purpose of complying with that regulation.

The data collected for this purpose will be as follows:

- Name and surnames
- National identification document
- Email

#### **Data storage period**

The personal data provided will be stored for 5 years after the Register of Regulated Persons has been updated.

#### **Communication of data to third parties**

We inform you that your data will only be assigned or transferred to other Group companies or third parties that provide services related to the processing purposes for which the data were collected (for example, external management, third parties that provide technological support services, etc.).

Furthermore, your data will not be transferred to countries outside the European Union, unless necessary for the provision of technical services, i.e., in the event the servers of the providers of technological resources or systems are hosted in countries outside the European Union.

However, ENCE may transfer your data to third parties if such transfer is required by law, by a regulatory provision or by a court ruling, or if this disclosure is necessary to ensure the protection and defence of its rights.

#### **Rights of the data subject**

In accordance with Spanish and European laws and regulations regarding data protection, at any time you may exercise your rights of access, rectification, erasure or to be forgotten, to object, not to be the subject of automated, individual decision-making, to data portability and restriction of processing.

These rights can be exercised in accordance with the following procedure:

3. Accessing the Ence Group's website, [www.ence.es](http://www.ence.es), and downloading and completing the online form "Instructions for Exercising the Rights of Data Subjects".
4. Sending the completed request form to [lopdp@ence.es](mailto:lopdp@ence.es) or to ENCE's registered office (C/ Beatriz de Bobadilla, 14, 4ª Planta, 28040, Madrid) together with a copy of your national identification document.

### SCHEDULE 3

#### TEMPLATE FOR PREPARING THE INSIDER LIST

##### TEMPLATE 1. SECTIONS RELATING TO DIFFERENT INSIDE INFORMATION

##### LIST OF PROJECT INSIDERS [NAME OF THE PROJECT]

SECTION RELATING TO [name of the inside information relating to a specific transaction or event]:

DATE AND TIME OF CREATION (i.e., when knowledge of the inside information was acquired): [ ]

DATE AND TIME OF LAST UPDATE: [ ]

DATE AND TIME OF TERMINATION (i.e., when it was communicated to the competent authority): [ ]

*[Group or body to which the Insider belongs]*

Name and Surnames	Contact details	Date Communication Sent	Date Receipt Acknowledged	Reason for access	Date access terminated


## TEMPLATE 2. PERMANENT SECTION

**LIST OF PROJECT INSIDERS** [NAME OF THE PROJECT]

**DATE AND TIME OF CREATION** (i.e., when knowledge of the inside information was acquired): [ ]

**DATE AND TIME OF LAST UPDATE:** [ ]

**DATE AND TIME OF TERMINATION** (i.e., when it was communicated to the competent authority): [ ]

*[Group or body to which the Insider belongs]*

Name and Surnames	Contact details	Date Communication Sent	Date Receipt Acknowledged	Reason for access	Date access terminated