

Ence Energía y Celulosa



NAME	CRIMINAL COMPLIANCE POLICY		
APPROVED BY	Board of Directors		
VERSION	V3		
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I. INTRODUCTION

The present Criminal Compliance Policy (hereinafter, the “**Policy**”) has been prepared in line with the main regulatory references and best practices in matters of compliance.

Ence Energía y Celulosa, S.A. (hereinafter, “**ENCE**”) is a leading company in the production of eucalyptus pulp, a leader in renewable energy with forest and agricultural biomass and a leader in the comprehensive and responsible management of forest surfaces and crops in Spain, whose activity is based on responsible timber management.

With the firm commitment to ensuring compliance with ethical principles and good corporate governance, ENCE has among its priorities the development of a solid corporate culture of regulatory compliance, in which the company's ethical values are established as central elements of its activity and decision making.

In this way, and in line with the provisions of Criminal Law¹, ENCE has internal regulatory instruments that meet the need for adequate control and management systems in the field of criminal detection and prevention, which are mainly developed in the **ENCE Crime Prevention Protocol**.

II. OBJECTIVE OF THE POLICY: COMMITMENT OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The objective of this Policy is to express ENCE's will to establish a culture of compliance that allows the development of diligent professional conduct, as well as to show a firm condemnation of the commission of any type of unlawful acts, without in any case being justified on the basis of a benefit to the Organization.

The present Policy reinforces the commitment of the Board of Directors and Senior Management of ENCE to defending compliance with the Law, as well as the communication and dissemination of the principles contained in the Crime Prevention and Detection Model of ENCE. In execution of said commitment, both the directors and the members of the Senior Management of ENCE will sign, on an annual basis, the Annual Statement of Commitment attached as Annex I to the present Policy.

III. SCOPE OF APPLICATION

Compliance with Policy is mandatory for all directors, managers and employees of ENCE as well as third parties acting on behalf of ENCE (employees of outsourced companies, agents and intermediaries, etc.) and for all those who are subject to the authority of ENCE, in the terms defined in Article 31 bis of the Spanish Criminal Code, to the extent applicable.

¹ Organic Law 5/2010 and Organic Law 1/2015, amending Organic Law 10/1995, of November 23, of the Spanish Criminal Code

IV. GENERAL PRINCIPLES OF ACTION OF THE MODEL OF CRIME PREVENTION AND DETECTION

The Crime Prevention and Detection Model is inspired by the general principles below, which constitute the fundamental basis of both the internal regulations of ENCE and the actions of its directors, managers and employees:

- ENCE will develop all necessary measures in the field of **criminal risk prevention**, identifying the activities in which criminal acts may be committed and promoting responsible action by all members of the Organization. All of this in accordance with the standards, principles and values established in matters of regulatory compliance.
- ENCE, and especially its Board of Directors and Senior Management, will act and demand that action to be taken at all times in accordance with the provisions of current legislation and the Crime Prevention and Detection Model.
- ENCE commits to disseminate among its directors, managers and employees the **duty to inform and report in good faith** any irregular conduct of which they have knowledge or suspicion through the established Whistleblowing Channel ENCE ensures, in any case, the confidentiality of both the people concerned and the whistleblowers, as well as the absence of retaliation against whistleblowers acting in good faith.
- ENCE will inform its directors, managers and employees of the **disciplinary system** applicable in the event of non-compliance with the Crime Prevention and Detection Model or the applicable internal regulations or in the event of commission of acts or conduct that could be classified as criminal activities, in accordance with the provisions of the applicable collective agreements.
- ENCE will provide an adequate framework for the **definition, supervision, monitoring and achievement** of the objectives of the Crime Prevention and Detection Model, through the provision of sufficient financial and human resources for the development of the compliance function.
- The Crime Prevention and Detection Model will be **disseminated** correctly and continuously among ENCE directors, managers and employees. Its principles and rules will be available to all members of the Organization.

Likewise, the application of Crime Prevention and Detection Model rests in the actions of the following bodies and Areas of the Organization:

- The **Compliance Committee** is a collegiate body reporting directly to the Audit Committee that autonomously exercises its control powers over all areas of the Organization, with special emphasis on prevention, monitoring and review. It is made up of those responsible for the General Directorate of Human Capital, the General Secretariat and the Directorate for Internal Audit.
- The **Audit Committee**, in its primary mission of supporting the Board of Directors in the development of its supervisory functions, reviews and supervises the financial and non-financial information of the Organization and the proper development of the functions that are inherent to the Internal Audit Department and informs the Board of Directors about the results obtained by said Department.
- The **Internal Audit Department** represents another supervisory body of the organization,

responsible for the analysis, evaluation and supervision of the internal control and risk management systems of the Organization. In this regard, the Internal Audit Charter establishes the possibility for this Department to assess any area of activity, process, project or operation, not being limited to the economic or financial areas.

The Crime Prevention and Detection Model will be subject to **continuous review and improvement, at least every two years**, by the Compliance Committee, which controls, supervises, assesses and permanently updates compliance with the standards and procedures described in the Crime Prevention and Detection Model, with the aim of ensuring that all the controls and surveillance measures established by the Organization are appropriately identified and described. Ultimately, its responsibility is to avoid or mitigate the risk of criminal actions occurring at ENCE, promoting action plans for the correction, updating, generation or modification of the measures and controls making up the Crime Prevention and Detection Model.

V. BASIS OF THE CRIME PREVENTION AND DETECTION MODEL

ENCE has developed a Crime Prevention and Detection Model made up mainly of the internal regulations, methodologies, actions and systems listed below:

- **Code of Conduct:** defines the ethical bases of the Organization necessary to achieve ENCE's vision, in order to create a solid corporate culture with which all its stakeholders can identify and, on the other hand, it allows ENCE to build a reputation as a Company, based on these ethical bases.
- **Crime Prevention Protocol (General and Special Parts):** defines a Risk Management System for the Prevention and Detection of Crimes with the aim of effectively and rigorously promoting a corporate ethical culture in the decision-making by directors, managers and employees of ENCE. This System includes measures and controls designed to prevent and/or mitigate, as much as possible, the risk of any criminal act being committed within the Organization and ensures at all times the legality of the actions carried out by the employees and directors of the Organization in the exercise of their professional activities
- **Anti-corruption and Anti-Fraud Policy:** it represents the permanent commitment of ENCE to monitor and penalize fraudulent acts and conduct or that promote corruption, in all its forms, carried out by the people included in the scope of application of this Policy, and to keep in place effective communication and awareness mechanisms and the development of an ethical and honest business culture.
- **Whistleblowing Channel Procedure:** it determines the operation of the Whistleblowing Channel implemented at ENCE, through which any member of the Organization, supplier, provider, regardless of their rank, responsibilities or geographical location, is allowed to report - with the maximum guarantees of confidentiality and without retaliation - any irregularity or behaviour contrary to the Law or the rules and procedures established by ENCE in its Organization.

- **Compliance Committee Procedure:** it regulates the composition, powers, responsibilities and operation of the Compliance Committee, ensuring it autonomous powers of initiative and control to make decisions regarding compliance within the scope of the Organization.
- **Methodology for the assessment and identification criminal risks:** it constitutes the ground for identifying criminal risks according to the activity carried out by ENCE, as well as their assessment and prioritization.
- **Financial Resources Management Model:** ENCE has financial resources management models aimed at guaranteeing the proper updating and maintenance of the control and supervision measures in matters of finance.
- **Training on Compliance and Crime Prevention:** aimed at all directors, managers and employees.
- **Disciplinary System:** which will be applicable in case of non-compliance with the Crime Prevention and Detection Model or with the applicable internal regulations, as well as in cases of commission of criminal acts or conduct, in accordance with the regime of disciplinary actions provided for in the current Collective Agreements and the Workers' Statute or any other applicable regulations.

The present “**Criminal Compliance Policy**” is incorporated into these regulatory, operational and training instruments, all of which constitute the **Crime Prevention and Detection Model**.

VI. WHISTLEBLOWING POLICY

Those people defined within the scope of application of the present Policy have an obligation to report, through the Whistleblowing Channel Procedure, all non-compliances or breaches about which they have knowledge or suspicion in relation to this Policy and to the rest of the applicable internal regulations.

VII. NON-COMPLIANCE WITH THE POLICY

Compliance with the provisions of this Policy is the responsibility of those people defined within its scope of application. However, both the directors and the members of Senior Management will be responsible for publicizing the content of the Policy, as well as supervising its compliance, in each of their respective areas of action.

Failure to comply with the provisions of this Policy may lead to the application of the appropriate disciplinary measures, all in accordance with the provisions of ENCE's disciplinary system.

In the event that the non-compliance is due to a third party acting on behalf of ENCE (employees of outsourced companies, agents and intermediaries, etc.), the Company must be informed of this circumstance through its Whistleblowing Channel. (ence.integrityline.com).

In this regard, ENCE reserves the right to take the measures it deems appropriate against suppliers, contractors or business partners who fail to comply with this Policy.

VIII. REVIEW, PUBLICATION AND ENTRY INTO FORCE

The present Policy, as well as the Crime Prevention and Detection Model of ENCE, will be subject to continuous review and improvement by the Compliance Committee at least every two years and also when regulatory, social, business or any other circumstances arising may require it.

The present Policy has been approved by the Board of Directors on November 25, 2021 and is available on the corporate intranet for mandatory compliance.

ANNUAL STATEMENT OF COMMITMENT TO THE POLICY OF CRIMINAL COMPLIANCE AND CODE OF CONDUCT

ENCE, Energía y Celulosa, S.A. (hereinafter, “**ENCE**”) is committed to respect the highest ethical standards in terms of compliance, in accordance with the provisions of the Code of Conduct, the Criminal Compliance Policy and the Anti-Corruption and Fraud Policy, as well as the rest of internal regulations making up the Crime Prevention and Detection Model, as well as any other regulations that might be of application. This commitment includes the dissemination and training in relation to the mentioned Model.

It is the general policy of ENCE that all directors, managers and employees, as well as those third parties acting on behalf of ENCE (employees of outsourced companies, agents and intermediaries, etc.) comply with the policies, procedures and protocols implemented in matters of criminal compliance. Thus, ENCE condemns any conduct that may be considered an unlawful act.

Failure to comply with the Crime Prevention and Detection Model, as well as with the rest of the internal regulations applicable to criminal compliance, may lead to the imposition of the corresponding disciplinary measures under the provisions of Section VII of the present Policy.

Therefore, it is the responsibility of each and every person defined in the scope of application of this Policy to comply with and enforce the principles of action of the Crime Prevention and Detection Model governing the professional activity of ENCE.

In this regard, I declare that:

- I have received, read and understood the Criminal Compliance Policy and Code of Conduct of ENCE
- In the carrying out my responsibilities at ENCE or any of its subsidiaries, I have faithfully complied with the Criminal Compliance Policy and the Code of Conduct of ENCE.
- I have communicated the Criminal Compliance Policy and the Code of Conduct to my direct subordinates within the Company (*) and have asked them to faithfully comply with it in the development of their activities.
(*) Where appropriate.
- In the development of my contractual relationship as a third party acting on behalf of ENCE (employees of outsourced companies, agents and intermediaries, etc.), I have faithfully complied with the Criminal Compliance Policy and the Code of Conduct of ENCE.

Signature:

Mr./Ms.

Date: